

John
Walsh
On Botham v Khan
page 17

How Jarvis and Joanna could take Di's place

Section Two, cover story

THE INDEPENDENT

THURSDAY 18 JULY 1996

WEATHER Warm and sunny

40P (IR 45P)

3,042

Terror in the UK: Yesterday Ulster thugs beat their 400th victim since the ceasefire

By Rebecca Fowler

They came for Donal Gray in the silence of the night, their faces masked and their guns out. Just minutes later, in the early hours of yesterday, the young man, a promising football player, lay broken in agony on the front garden streaked in blood, his dream of sporting stardom shattered.

For Gray, only 19, who plays for Glenavon, Co Armagh, it was a tragedy. For the six men, who claimed to be from the Provisional IRA, he was the 400th victim of the so-called punishment beatings in Northern Ireland.

While the fragile ceasefire had appeared to free the streets of fear, the beatings never went away.

Instead they increased alarmingly in the insidious campaign by republicans and loyalists to maintain the control they have held over communities for 25 years.

Since 1994 republicans have carried out 266 beatings, loyalists 144. These figures compare with a total of 45 in the 14 months before the ceasefire.

Just as the authorities pay little attention to the 600 families whose lives in the past two weeks were turned upside down when they were forced out of their homes by thugs, so the politicians have largely averted their gaze from punishment beatings.

Families Against Intimidation, a charity that works with the victims of violence in Ulster, condemned the widespread failure of politicians to acknowledge such brutal beatings.

"As far as we're concerned, these figures are only the tip of the iceberg. Due to fear of reprisals people don't report them, they're too frightened, so there's been no easing up," a spokeswoman said.

Among the worst cases the charity has dealt with was the attack on Martin Donnelly, 18, at Easter. He was literally crucified by the IRA when



Left to right: Simon Murray, shot by the IRA in August 1995; a reconstruction of a 'punishment'; and Donal Gray, before he became the 400th punishment victim. Photograph: Pacemaker

they hammered spikes into his arms and legs, as deep as they would go. He was taken to hospital screaming in pain.

The spokeswoman added:

"It takes something like that to get politicians to acknowledge the problem. But we are appalled by their lack of condemnation of these attacks.

It's just brushed aside and they carry on happening as before."

Donal Gray, who has a broken leg, a fractured kneecap and deep cuts, received the typical treatment: he was rushed to hospital from his home in Newry, after being beaten savagely with cudgels studded with nails while his family lis-

tened helplessly to his cries.

He had been watching television with his father, Edward, on Tuesday night: after midnight, they heard the shattering of glass as masked men burst through the front door.

Edward Gray said: "They

said it was Provisional IRA. They just came in: Donal was

sitting there with me and they trailed him out and beat him in the hallway and then took him into the garden and beat him again."

Their weapons were those favoured by the IRA for their recent beatings. In the past year they have moved away from gun wounds to knees and

elbows, and developed a taste for spiked weapons, hammers, iron bars, and baseball bats, which often cause even more serious wounds.

Among the recent punishment attacks was the shooting of Simon Murray, 21, last August. It was the first use of guns for a beating in nearly a year.

He was kidnapped on his way home, dragged into a car at 1.30am, taken to a nationalist area, pinned to the ground, and beaten with sticks, before the masked men shot him in the knees and elbows.

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The following month, IRA

members were blamed for having left a man with a punctured

lung bleeding in the street. He needed 30 stitches after they attacked him with a bat, a brick and an iron bar in front of his girlfriend.

In October the IRA was also held responsible for dragging a girl aged 16 out of her home, tying her to a lamppost and pouring paint over her.

The motives behind the brutal beating of Gray were still unclear yesterday.

In most cases the IRA claims it is punishing "anti-social behaviour", often related to drug abuse, to keep communities under control.

But there was no evidence that Gray had ever crossed the law. He was a hard-working, disciplined young footballer who had been transferred from Patrick Thistle in Scotland to Glenavon with dreams of making the big time.

A spokesman for the club said: "He was a promising young player and we were hoping that he would have made it into the senior team and held down a regular place in the side this season."

He had played a few games for the club since his transfer, but a groin injury put him out of action before he was fit enough to play again at the end of last season.

Detective Inspector Alan Maines said: "This is a 19-year-old of great footballing talent. His injuries could mean a very promising career is in jeopardy."

In an earlier attack in the republican market area of Belfast, on Tuesday, a man was beaten by a gang of masked men in an alley. They struck him with iron bars and broke his arm.

As Gray lay in Belfast City Hospital last night surrounded by his family, his dreams were hanging in the balance.

And, as the people of Belfast locked their doors for the evening, it was not just the end of the ceasefire they feared.

It was the sound of shattering glass and the glimpses of masked men who never went away.

Leak puts Chancellor in hot water

ANTHONY BEVINS
Political Editor

The Chancellor of the Exchequer, Kenneth Clarke, was left floundering on the ropes last night after taking a Commons battering over plans to cut state support for post-16 education and privatisate the roads.

In dramatic exchanges with shadow Chancellor, Gordon Brown, Mr Clarke showed he clearly had not read a 123-page Treasury document that disclosed the plans.

He was so unprepared for the onslaught that he could be seen furiously speed-reading the paper. He flicked through it back-

wards, concealing it within a blue Treasury file and then put it away again, as if it were too distasteful to take in at one go.

Earlier, after details of the paper had been leaked, Mr Clarke attempted to dismiss it in a BBC radio interview as the work of "some kids in the office". He said dismissively: "It's quite entertaining, this document. It doesn't represent anything to do with Government policy."

But in a Commons debate on the economy, Mr Brown landed blow after blow on the Chancellor, defying him to deny two critical statements in the report, *Strategic Considerations for the Treasury - 2000 to 2005*.

The document revealed that "consideration" was being given to:

■ A proposal to transfer road ownership "to regulated private companies who would receive their income from road users".

■ A reduction of "state support" for post-16 education on the grounds that rising demand is "unaffordable".

Chris Smith, Labour's social security spokesman, stated: "There is no way we would contemplate privatising the basic state pension, privatising unemployment insurance or privatising sickness benefit."

Labour, however, is examining plans which could lead to the

privatisation of the rest of Serps, the State Earnings Related Pension Scheme.

Franz Field, the Labour chairman of the Commons Social Security Committee, is clear that Labour does not rule out shifting unemployment benefit as well as Serps into new, mutually-owned corporations.

Mr Brown firstly demanded to know whether privatisation of the roads was under active consideration.

Clearly flummoxed, Mr Clarke asked for a definition of privatisation, saying that the document did not define it. He then added: "He is asking a question about a subject

he could not define."

Mr Brown then defined privatisation in the terms given in the document and still got no answer. The shadow Chancellor then challenged the Chancellor on plans to cut post-16 education. Mr Clarke could be seen hurriedly consulting William Waldegrave, Chief Secretary to the Treasury, who was sitting next to him on the Government frontbench. He got up to say: "I have not asked the grade 7 civil servant who wrote this..." He added: "I didn't know this document was being prepared in the Department."

Contract with Britain?
pages 2,3

Anonymous reveals his true colours

RUPERT CORNWELL
Washington

So the joyless gunshoes of the American press have finally succeeded in solving one engrossing mystery of a otherwise unengaging political year. "Anonymous", the author of the best-selling political novel, *Primary Colors*, is, after all, Joe Klein, columnist for *Newsweek* magazine.

All last winter, as Bob Dole plodded to his utterly predictable victory in the Republican nomination stakes, the real guessing game for political junkies was another: Who wrote the hilarious *roman-a-clef* based on Bill Clinton's scandal-strewn rollercoaster through the primaries four years earlier?

Given the author's uncannily accurate eye for detail, it was quickly obvious that he (or she) was either a worker on the campaign, or a journalist who covered it. In the latter group, a computer comparison of the

style of the novel with the writings of leading contenders established Mr Klein as the leading suspect. But he denied all, and there the matter seemed to rest.

No longer. The *Washington Post* obtained an early manuscript of *Primary Colors*, with its author's handwritten corrections, and samples of the handwriting of Mr Klein. Then it enlisted Maureen Casey Owens, a top document examiner and former president of

Great works by Anon

- The first novel in English, Richardson's *Pamela*, was published anonymously. So was Fielding's *Tom Jones*, which became Joseph Andrews.
- Jane Austen published *Pride and Prejudice* and *Sense and Sensibility* anonymously.
- Dickens's *Pickwick Papers* was announced as "by Boz".
- Tom Brown's *Schooldays* was first published "by an Old Boy".
- The Brontë sisters wrote under the pseudonyms of Currer, Ellis and Acton Bell.
- Benjamin Franklin used 57 pseudonyms. Voltaire topped that with 137.
- Sir Walter Scott published *Waverley* anonymously.

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CONTRACT WITH BRITAIN?

14 JULY 1996

be life in the reign of King William

Is this leaked "Contract with Britain", composed in the Treasury, for real? Taken seriously, it provides one blueprint for radically reshaping the state and dramatically changing the lives of millions for better and worse. Its ideas would take decades to implement - reaching, perhaps, beyond the lifetime of Prince Charles and into the reign of his son.

That would require the defeat of post-war social democracy to con-

tinute in the decades ahead, with voters consistently choosing lower taxes to return for fewer services and a shrinking state. This is not impossible. The anti-statist trend emerged in Britain in the mid-Seventies, when thinkers such as Hayek influenced Margaret Thatcher and Sir Keith Joseph. Despite a backlash, it is running strongly in the US, it is making headway in Europe and it has been very influential in countries

as diverse as Australia and Chile. So the Treasury officials' thinking is not any longer radical in itself. What they are doing is taking 20-year-old ideas on how to "roll back" the state and extending them further than the Thatcher and Major governments. Instead of selling off industries or utilities, they toy with the idea of privatising some of the 20th-

century state's core activities - parts of welfare, road transport, some higher education and the basic pension.

This would make millions of lives freer but riskier. For the talented, hard-working, prudent and lucky, it would mean lower taxes. That might attract more companies and generate new jobs. But for the people who

asked to produce different options. Only parts have been leaked. Parts may be impossible to carry out. But aggressive anti-statism is an agenda with widespread intellectual support on the right and it is being closely studied in many countries besides Britain.

It is not the Conservative manifesto for 1997. If it happens, it will be a long-term revolution, which would in some respects take Britain back sev-

eral centuries, to a country of turnpike roads, low taxes, less security and little state welfare. But self-evidently, it is not unthinkable. Nor, given the changes of the past 20 years, is it implausible either.

In that spirit, we have tried to imagine some of its possible effects on Britons living under this Treasury "contract" in the reign of King William V in a few decades' time ... and one possible alternative to it.

Danny, just too clever by half

"Why did you have to be so bloody clever?" shouts Danny's father, stomping up and down the stairs. Poor old Danny Blake has won a place at Oxford and his parents are daunted at the cost.

The family already pays £500 a year to top up the voucher for Danny's younger sister's schooling. They simply hadn't budgeted for a university education - and Oxford, of all the ridiculous places! Fees there are a massive £1,000 a year, several thousand higher than the nearest by John Moore's University.

"Consider it darling, please," pleads Danny's mother. "Moore's have two-year courses you know, as well - much cheaper than four at Oxford."

The Blakes had always known their son was bright. But somehow they had hoped he would work for a few years then go to college sponsored by Siemens or Nissan. Or perhaps he would study maths or com-



puting. With the prospect of a lucrative job in the City or in new technology he could have taken out a student loan to fund the lot.

Not Danny, however. The young Mr Blake has lost his heart to the classics, and only a traditional Oxford College will do. Usually Oxford undergraduates get good terms from the student-loan brokers - after all Oxford still churns out extremely employable bright young things. But interest rates are very high for prospective arts students. After all, what will they do with the rest of their lives?

Most classics graduates struggle for the few remaining jobs in the low-paid, low-status civil service. It brings a wry smile to Mr Blake's face as he contemplates that aspect of Danny's looming future. Those bright-spark Treasury "kids" back in the 1990s whom he still blames for his current penniless plight didn't quite anticipate the full implications of their vision for the slumped-down welfare state. As Whitehall downsized and the Treasury was left with no spending to monitor, many of those mandarins are out on the street. His wife is altogether more

stoical about life. "You're paying the price of your own choices, darling," she tells him. You would insist on using Danny's voucher to send him to a traditional school. It's hardly surprising he left chattering in Latin and Greek. We're better off than the Harrisons. Young Emily can't afford to go to college at all."

The Blake's Contract with Britain:
£400 less in taxes thanks to education cuts of £700. £500 more on top-ups for vouchers, and £4,000 in fees for university.

John, on the road to nowhere

Road rage is rather an understatement for John Benham's state of mind. As he staggers through the front door, after two hot, sweaty hours driving the 12 miles home from the office in Pootefract, he is raging at roads, raging at the road utilities, and above all raging at Leo Redwood, chief executive of the company that owns this stretch of the M62.

Yorkshire Roads plc, the offshoot of the Yorkshire superintendence company that supplies water and electricity intermittently to his house, are not popular locally. Several years spent avoiding the repairs to the tarmac, in order to keep up dividends to shareholders, have finally reached crisis point. The roads are now littered with cones, and traffic crawls along the M62 in single file. At home in Snaith, things aren't much better. The pavements in the cul-de-sac are crumbling, and there is still no sign of the long-

promised speed bumps for the street by the shops.

Now the Yorkshire Roads boss is on the radio, calling on drivers to ration their car use, especially during the rush hour, to ease pressure on busy lanes. He has himself, he claims, avoided driving a car for three months during the cone-crisis. John Benham knows why. As he was climbing into his car in the office car park this evening, he noticed a helicopter landing on the pad across the road; the bright yellow logo of Yorkshire Roads gleamed from its door. Waiting for the rotor to stop

stood Mr Redwood's chauffeur. No wonder Leon Redwood doesn't bother driving. With the millions in bonuses and share options he awarded himself this year, he can afford a driver to take him through the jams.

It is little consolation to Mr Benham right now to remember that the cost of running his car is far less now than twenty years ago. Now that Vehicle Excise Duty has been abolished, he pays his annual charge to Yorkshire Roads, and any other travel is billed through an electronic card on his dashboard. But the frustration and

pollution he endures is a high cost to pay for the extra fifty pounds in his pocket.

Nor is John Benham soothed by the fact that a few new gleaming toll roads have been built to sweep traffic from the Channel Tunnel to the big industrial centres in Wales and Tyneside. He doesn't want to go to Wales or Tyneside, he just wants to get home from work.

John Benham's Contract with Britain:
£140 less in car tax, £90 more in road charges and tolls, and hours and hours of stress.

Zoe, fighting battle of the bulge

Harry has been growing suspicious for a while now. True, his PA Zoe had always had a taste for cream cakes. But could she really have put on so much weight through over-eating in the past six months?

Now Harry isn't a hard man, but he does have a business to run. As he glances surreptitiously at her bulging tummy, he wonders whether it's time to start recruiting Zoe's permanent replacement. If she does turn out to be pregnant, there is absolutely no way he can afford to give her maternity pay.

"Still," he tells himself. "it probably won't come to that. She'll take a few weeks off, then be back at work slightly more tired than usual, just like all the others."

Since statutory maternity pay, alongside unemployment benefit and incapacity benefit have all been abolished, employees are desperate to stay at work under all circumstances.

Unemployment is an appalling prospect as you end up having to plead with the state for some of the few remaining and sometimes means-tested benefits.

Zoe, who is indeed pregnant, is terrified of losing her job. She is stuffing her face to pretend she is just getting fat. Her husband is unemployed and they have missed payments on their health insurance and their mortgage insurance in the past few months. They can't get unemployment insurance at all - they have both changed jobs and lost jobs too many times. What will happen if she has expensive

complications during child birth? She doesn't know. Without her current job, she fears they will lose the house too.

At least, she reassures herself, she is twenty-three and married. Were she a single teenage mother, she wouldn't even qualify for means-tested benefits.

As she contemplates her baby's future in this uncertain world, she thinks back to her own childhood. The memory of that night in July 1996 when her father came home from work grinning mischievously haunts her again. "I've given it to the Times," she remembers him

telling her mother. "You remember that secret document we were preparing for Terry Burns? The one where we listed every loopy thing we thought the Conservatives might want to do. It will be in tomorrow's papers. That'll really make fools of them."

Zoe bites into another jam doughnut. If only her father had known.

Zoe's Contract with Britain:
£1,000 less in NICs, £800 more in pension payments, £600 to cover sickness and mortgage insurance.

Laura, the wealth creator

Laura is so relieved that the daily assault on her cardigans from loud Americans is finally over. After ten years living in the US earning a huge salary as a consultant, she has decided she'll be better off back at home to Bristol.

Income tax is only 20 per cent, and National Insurance Contributions have been abolished altogether, so Laura on her £150,000 income has tens of thousands of pounds more to spend each year than in the old quasi-socialist 1990s. That kind of cash makes a difference to the entrepreneurial moneymakers like Laura. She and her international friends are flocking into Britain in their thousands.

Laura's American friends are extremely suspicious when they discover that her taxes are lower than in the US. "It's because we don't spend all that money on defence," she explains. Since Britain slid down for the international pecking order,

just as those Treasury mandarins predicted, the Government has been able to cut back foreign peace-keeping operations, leaving everything to the local pub. Still, she reflects, at least there are job opportunities aplenty to keep the poor off the streets.

As a healthy 31-year-old with immense earning power, Laura pays low premiums on her private health and unemployment insurance. And now that she no longer has to subsidise social insurance for everyone else through her taxes, she is substantially better off. Moreover she prefers having the choice and flexibility in the kinds of insurance she takes out. Laura is a health freak, and wonders whether it's time to start recruiting Zoe's permanent replacement. If she does turn out to be pregnant, there is absolutely no way he can afford to give her maternity pay.

Laura's Contract with Britain:
More than £20,000 less in tax, £3,000 more in private insurance, £2,000 less in NI Contributions for her employees.

irritating that her secretary always looks so tired, and suspects her of moonlighting in the local pub. Still, she reflects, at least there are job opportunities aplenty to keep the poor off the streets.

Laura has brought with her countless employment opportunities, too. Now that she no longer has to pay National Insurance Contributions for her employees, she has just decided to take on an English butler to join her personal staff of four. Employment in service is booming, and unemployment in Britain hasn't been so low for decades. She finds it slightly irritating that her secretary always looks so tired, and suspects her of moonlighting in the local pub. Still, she reflects, at least there are job opportunities aplenty to keep the poor off the streets.

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Treasury officials back in 1996 will be regarded as a historical oddity, a last outbreak of radical mania. The former chancellor Kenneth Clarke will be regarded as the most interesting Conservative thinker of our era and the pound sterling will be a folk-memory.

The executive country homes of the Thatcher era will have been

broken up into flats. Any school-leavers who fail to get jobs in private companies will be taken on by one of the great renationalised corporations, such as British Telecommunications, or the BBC.

There will be no beggars on the streets, and no expensive motor-cars on the roads: trains, municipal trolley buses and high petrol

taxes have long since cleared the country of Jaguars, Porsches and Mercedes. In South Yorkshire, coal is being mined once again and the annual conference of Trades Union Congress is reported at length on the front pages of most newspapers - none of which are owned by foreign magnates.

All British children will be ex-

pected to go to university; money will be tight for them, but there is plenty of cheap subsidised food, thanks to the warm climate. A minimum income and generous pensions ensure that older Britons do not suffer serious want. On the other hand, no one is permitted to earn more than twice the average wage, or to inherit prop-

erty of more than token value. Sometimes we look enviously abroad at the decadent, extravagant Germans, or the arrogant new world powers such as Thailand, which has recently taken our seat on the United Nations Security Council. We live in a less glamorous country, but a safer one. And on the whole we prefer it that way.

Alternatively, if the levellers held sway ...

Dr, of course, it could turn out very differently. It is possible that Britain stands today at the end of the right-wing era which began in the Seventies and is about to return to an era when taxes are relatively high and the state reclaims many of its old functions.

Perhaps there will be no King William V, because by the Scot-

land will be independent and England will have declared herself a federal European republic. The aged and now-corpulent Will Hutton, a former left-wing scribbler and editor, will be Life President, presiding over a land of compulsory higher education, higher pensions and higher income taxation.

In that country, the effusions of

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All British children will be ex-

Roger Lander of Devereux Monteague

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No mean feet – Ireland's record-breaking dance troupe leave their stamp on Edinburgh



350th performance: Riverdance – The Show, already seen by 1.2 million people, features on GMTV tonight. The show, which was developed by producer Moya Doherty after the 1994 Eurovision Song Contest, has been shown in Dublin, London and New York, will have a seven-week Scottish season at the Playhouse Theatre, Edinburgh, next February

Photograph: Jeremy Sutton-Hibbert

Portillo faces £70m bill for lavish HQ alterations

CHRIS BLACKHURST
Westminster Correspondent

Michael Portillo, the Defence Secretary, has been hit by an embarrassing £70m demand for compensation from contractors working on the new £254m office complex for the MoD's equipment procurement executive at Abbey Wood, near Bristol. The building, the largest office block in Western Europe, has already raised eyebrows for the luxury of its facilities. Now 12 companies, led by John Mowlem, say they are owed the money because ministry officials kept altering the design brief.

Abbey Wood, which will be opened by the Queen on Friday, is also attracting criticism from servicemen and their families ordered to move there. Unlike civil servants relocated to Bristol from London, they have not received £20,000 allowances to cover removal expenses.

Known locally as The Peacock and its planners as Sim – as in SimCity, the computer game – the vast complex, built of Penhill stone with indoor

streets finished in Northumbrian slate, will house 4,400 members of the procurement executive by the end of this year.

Covering 98 acres, the site includes an ornamental lake, 5,000 trees, 28,000 shrubs, 230 bathrooms, 26 lifts, a specially-built railway station, a 100-pupil nursery, an Italian suspension bridge and glass-covered walkways. When the mandarins are not assessing new defence equipment or placing orders, they can unwind in the cinema, sports centre or swimming pool.

Civil service unions have attacked the lavishness of the design, completed, they said, at the expense of redundancies. The MoD has justified the expense, saying that having the executive under one roof should eventually save £100m a year.

The demand from the contractors for an extra £67m, on top of the £254m budget, casts a shadow over those trumpet-ed figures. Mowlem is understood to be arguing that while it was charged with overseeing the design and building work, it was not responsible for

changes along the way. Some variations had been made by the contractors themselves.

A senior executive at one of the firms involved said there had been hundreds of alterations. "We say, 'you asked for things not in the original design'. The MoD says, 'no'. The problems are immense. Mowlem is trying to seek an accommodation. It's a messy business."

Mowlem said it was bound by client confidentiality clauses and could not comment. Andrew Gay, the head of Drake and Scull, the mechanical engineer, and another firm involved with the building, also refused to discuss the dispute. But Mr Gay said he "hoped for a negotiated outcome".

A spokeswoman for the MoD at Abbey Wood, said: "Mowlem was responsible for the detailed design of the project. The MoD operated a tight change control procedure and that has been followed rigorously." She said that while no legal proceedings were yet under way, they were in discussion with Mowlem.

Last week the management suggested that the conflict should be referred to the industry's wages board, which

Labour backs managers against Tube strikers

BARRIE CLEMENT
Labour Editor

The Labour leadership yesterday took the highly unusual step of siding with the London Underground management over a 24-hour strike which will bring the system to a virtual standstill for the first time in seven years.

Asked about the prospect of a summer of conflict on the Tube network, David Blunkett, Labour spokesman on education and employment, declared his backing for the intervention of an independent arbiter – a suggestion made last week by London Underground. He said: "We are in favour of arbitration."

Travellers in London today face the most chaotic day of the summer as the two main Tube unions join forces in strike action. Unlike the previous 24-hour stoppages, drivers belonging to the Rail, Maritime and Transport workers' union are to walk out as well as their colleagues in Aslef. At best, only a few shuttle services will run in the capital and severe traffic jams are expected on the roads.

Attempts to resolve the dispute ended in deadlock early yesterday and it seemed as if both sides were as far apart as ever in the argument over working hours. Another 24-hour strike has been called for next

uses an arbitration process to settle disputes.

Last night union leaders were taken aback by Mr Blunkett's comments and some left-wing drivers' representatives said it was part of a continuing campaign by the Labour Party to capture voters in the South-east.

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David Blunkett: In favour of binding arbitration

would lose from the dispute: management, customers and the drivers who stand to forego more than £1,000 each during the campaign of industrial action.

She insisted that the deal on offer was the best possible under the circumstances. It is understood that during the talks, the Underground management put forward a proposal for a two-year deal which would avoid what has become annual disruption to the Tube service.

The management claimed that they had been presented with a new set of demands during the most recent talks, including calls for further reductions in the working week.

The dispute with both unions centres on a fundamental disagreement over the meaning of a statement which settled a dispute last year linking a 37½-hour week with improved performance. Unions argue that productivity has improved over the 12 months since the deal was

signed, but management argues that fresh efficiency measures must be agreed.

Jimmy Knapp, general secretary of the RMT, said the company was not prepared to honour its "commitment" of cutting an hour off the working week and accused London Underground of working to a political, rather than an industry agenda.

More than 130,000 workers at Royal Mail stage their third 24-hour stoppage today amid mounting speculation that the Conservatives may include privatisation of the postal services in their election manifesto. Ministers yesterday refused to rule out a sell-off as the Communication Workers' Union pressed ahead with an escalating campaign of industrial action in protest at management's plans to improve efficiency. A 36-hour strike beginning on 26 July, a 48-hour stoppage on 31 July and another 24-hour walkout on 6 August are planned.

"Doesn't it really matter who's behind travel insurance?"

A very down to earth question.

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Pigeon publicity stunt ruffles welfare groups

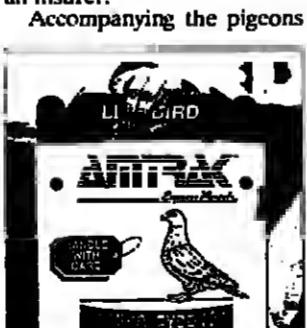
STEVE LODGE

Animal welfare groups yesterday criticised a public relations stunt on behalf of an insurance company which involved sending live pigeons by courier.

Financial journalists, despite being accustomed to the freebies and frippery proffered by the financial community and their public relations companies, were bemused and horrified yesterday to be sent live pigeons – in cardboard boxes by courier.

The 77 pigeons sent out were aimed at promoting the launch of an obscure financial product by Scottish Life International, an insurer.

Accompanying the pigeons



Pigeon carrier: Birds were kept in box without water

were letters asking the financial journalists to let the birds go – they were homing pigeons.

But wildlife charities and pressure groups expressed outrage at the promotion and the Royal Society for the Prevention of Cruelty to Animals raised the possibility of a private prosecution for the "totally irresponsible stunt".

The birds had been in the boxes without food or water overnight before being delivered yesterday morning, according to Clarendon, the PR firm behind the stunt. Some birds had laid eggs in their carrying boxes.

Even pigeon fanciers had doubts. Beatrice Penn of the Royal Pigeon Racing Association said: "I can't understand why a responsible organisation would send live birds to people without asking them first if they wanted them."



Special delivery: Bewildered pigeon before flying home

DAILY POEM

The Way through the Woods

By Rudyard Kipling

They shut the way through the woods
Seventy years ago.

Weather and rain have undone it again,
And now you would never know

There was once a road through the woods
Before they planted the trees.

It is underneath the coppice and heath,
And the thin anemones.

Only the keeper sees

That, where the ring-dove hroods,

And the badgers roll at ease,

There was once a road through the woods.

Yet, if you enter the woods

Of a summer evening late,

When the night-air cools on the trout-ringed pools

Where the otter whistles his mate,

(They fear not men in the woods,

Because they see so few)

You will hear the beat of a horse's feet,

And the swish of a skirt in the dew,

Steadily cantering through

The misty solitudes,

As though they perfectly knew

The old lost road through the woods ...

But there is no road through the woods.

Kipling's interest in the supernatural emerged in his poetry and stories in the last phase of his writing career, when he and his American wife Carrie were living at Bateman's in East Sussex. He wrote his first ghost story, "They", in 1904. *Puck of Pook's Hill*, a collection of stories and verse suffused with supernatural elements, appeared in 1906. This poem amongst them, the stolid moral tone of "If", in its place came lyric poetry and some merit, which seems to have acted as a release for Kipling.

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Britain's biggest shop site for Kent

JOJO MOYES

One of the largest shopping and leisure complexes in Europe is to be built in Kent, and will create nearly 14,000 temporary and permanent jobs, the Deputy Prime Minister, Michael Heseltine, announced yesterday.

The £700 million Bluewater development in north-west Kent is the biggest construction project in the country and will inject £200 million into the local economy. There will be 275 shops at the centre when it opens in 1999, including leading chains Marks & Spencer, House of Fraser, Boots and W.H. Smith.

The development will create 6,800 long-term jobs and another 7,000 during construction. Most of the 6,800 jobs will be in retail outlets and 2,000 will be in maintenance, administration, security.

The MetroCentre in Gateshead, the largest shopping and leisure centre in Europe, occupies 2.2 million square feet and employs 6,000 people in 350 retail outlets.

The scheme's developers – the Australian property giant Lend Lease and the cement and central heating conglomerate Blue Circle Industries – said they were committed to employing local people. The area is in the heart of the Thames Gateway, the zone designated by the Government for riverside regeneration from east London to Sheerness.

"The Thames Gateway is no longer the back doorstop of London, with Heathrow and the west at the front. It is rapidly becoming the front doorstop with East Thames Corridor and the Channel Tunnel," Mr Heseltine said yesterday. He described the Bluewater scheme as a "classic example" of regenerating land previously used for industry.

One-stop shopping

MetroCentre at Gateshead
Site: 2.2 million square feet
Employees: 6,000 people
Shops: 350
Visitors last year: 28 million.

Merry Hill Centre at Dudley
Site: 1.9 million square feet (may increase by a further 160,000sqft subject to planning permission)
Employees: 4,000 people
Shops: 260
Visitors last year: 25 million.

Meadowhall Centre in Sheffield
Site: 1.5 million square feet
Employees: 4,700 seasonally
Shops: 280
Visitors last year: 30 million.

Leisure Shopping Centre, Thurrock
Site: 1.3 million square feet
Employees: 3,500 people
Shops: 320
Visitors last year: 22 million.

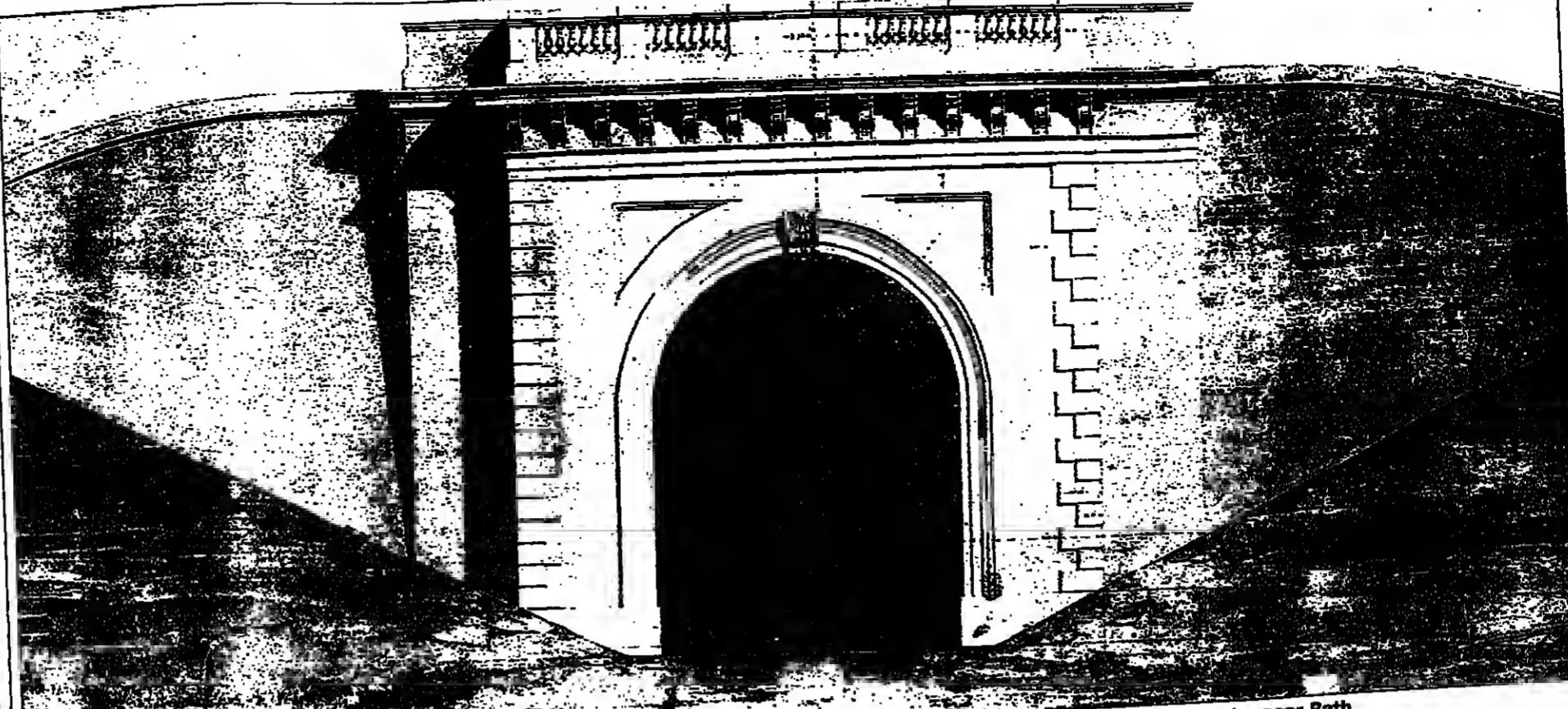
Ebsfleet railway station, on the Channel Tunnel rail link due to open in 2002.

It is estimated that Bluewater will attract 30 million site visitors and £55m a year to the area. A Dartford Borough Council spokesman said: "A few years ago this quarry was going to be the biggest landfill site in Europe. Now we will have this wood-orientated development which will bring people from miles around, even from Europe."

The site is near the planned Victorian accomplishment: Isambard Kingdom Brunel's drawing for the massive West Portal box tunnel constructed in the West country near Bath



Isambard Kingdom Brunel: He made several thousand technical drawings for his engineering designs



Brunel's railway age drawings reveal genius for steam, steel and stone

A collection of limited edition prints of original technical drawings by the inventor and engineer, Isambard Kingdom Brunel, was presented to the public yesterday at Paddington station. Railtrack's Great Western section copies the 6,000 colour prints featuring some of the finest railway constructions of Victorian times, will in time become collectors' items.

Brunel, who died in his 50s in 1859, was known as the father of the Great Western Railway and acclaimed for his engineering feats in developing steam-powered ships as well as railways and bridges. He made several thousand technical drawings. Railtrack believes his pen and watercolour designs will attract art-lovers as well as engineering enthusiasts.

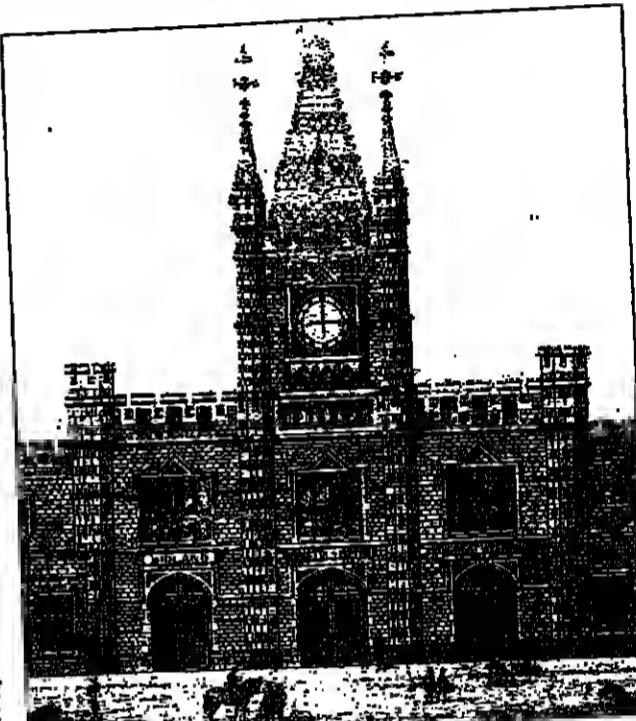
The first prints on sale feature the Royal Albert Bridge at Saltash, near Plymouth, the West Portal at Box Tunnel, near Bath, Dorchester Road station in Culham, Oxfordshire, Bath station, and the timber viaduct for the Devon and Tav-

stock railway. The print collection also includes a drawing of the station building at Bristol Temple Meads which was done by Brunel's friend Matthew Digby Wyatt, who helped in the construction of Paddington station during 1854.

Brunel's great-great grandson Peter Noble, 67, an international wine consultant, was present at the launch, and said he was "absolutely delighted" to see that the collection had at last been assembled. "I inherited some of the drawings but I live in a small cottage and I could not cope with sitting on a national heritage like that."

Mr Noble said he thought Brunel, who initially set out to establish a transport route from London to New York, would have had conflicting views on how the railway system is run in Britain today.

He said: "Brunel would have done his nut at the break-up of the railway system, but at least the South Wales section is still called the Great Western Railway today."



One of the limited edition prints presented to the public yesterday at Paddington station

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news

Watered down Scott for sale on CD-Rom

CHRIS BLAIGHURST
Westminster Correspondent

Written evidence showing attempts by former and current Government ministers to water down critique of them in the Scott arms to Iraq report will not be publicly available until 2026 at the earliest.

Much of the evidence in the 39-month inquiry into what Whitehall knew about exports

of defence equipment to Iraq, is published today. But the two CD-Rom disks to be issued by this afternoon – the first time a CD-Rom has been used for an official inquiry – will not contain the most sensitive material. The pair of disks will cost £150 plus VAT, compared with the report, published last February, priced at £45.

Not included in the 30,000 pages on the disks is corre-

spondence between Sir Richard Scott and current and former ministers following release of his draft report, and most of the evidence from the security services. Opposition politicians anxious to score points against William Waldegrave, the Chief Secretary to the Treasury, who was criticised in the draft but not in the final version, will be disappointed since correspondence from him and his lawyers

is in the excluded material. Also excluded are the exchanges over the draft report between Sir Richard and Lord Howe, the former Foreign Secretary and Sir Nicholas Lyell, the Attorney-General. Lord Howe kept up a behind-the-scenes running dialogue with Sir Richard over the legal parameters of his probe.

Other former and current ministers and senior civil ser-

vants retained City law firms to make representations on their behalf with Sir Richard. Those papers will be consigned to the Public Records Office at Kew and will come within the rule that bars inspection of government documents for 30 years.

Part of the most keenly awaited evidence on the disks is the written evidence of Sir Charles Powell, Lady Thatcher's former private secretary when

she was at Downing Street. Sir Charles was the most notable of those not summoned to a public quizzing by Sir Richard and Presley Baxendale QC, the inquiry's counsel.

In letters to Sir Richard, the former private secretary is expected to have tried to explain an apparent contradiction between a brief in which he said that the Prime Minister "will wish to be kept very closely in

touch at every stage and consulted on all relevant decisions", and Lady Thatcher's insistence to the inquiry that she could not recall seeing any proposals for introducing a more liberal trade policy towards Iraq.

It should also be possible to judge from the CD-Rom which witnesses needed to be persuaded to give evidence. Requests from Sir Richard for

assistance will be included on the disks.

From tomorrow, the inquiry team will begin packing up. The senior figures have already moved on. Sir Richard is devoted full-time to his role as Vice-Chancellor. Ms Baxendale is back at the Bar and Christopher Mutukumarai, the inquiry's redoubtable secretary, is one of two deputies in the Ministry of Defence's legal department.

Botham names price of South Africa tour

CLARE GARNER

Ian Botham admitted in the High Court yesterday that he demanded £500,000 tax-free to tour South Africa in 1989. The former England all-rounder also wanted proper compensation for any contracts and endorsements he might lose because of the venture.

"It's quite obvious you had no objection to going to South Africa if the money was right," suggested George Carman QC, counsel for the former Pakistani skipper Imran Khan, who is being sued by Botham and his former England teammate Alan Lamb over allegations of racism.

"No, it says quite clearly in my autobiography that I ended up saying no because I changed my mind," Botham said. "You won't find any reference to finance. Race was the reason at the end of the day why I didn't go."

Botham told Mr Justice French and the jury that he listened to the invitation by the South African Cricket Board "out of pique or spite" because he was not included in England's team for the winter tour of the West Indies.

Botham and Lamb claim that Imran launched an "offensive personal attack" on them in an *India Today* magazine article that called them racist, uneducated and lacking class and upbringing.

Botham alone is suing Imran over a May 1994 story in *The Sun*, which, he says, accused him of ball-tampering – something he had never done in his career.

Imran, who denies libel, says



Pitch battles: Imran Khan (above) and Ian Botham

Reading from Law Eight of the Laws of Cricket, Mr Carman said: "The bowling of fast short-pitched balls is unfair if in the opinion of the umpire at the bowler's end it constitutes an attempt to intimidate the cricketer." He explained how, in such an instance, the bowler would be cautioned by the umpire. Botham denied that this was cheating.

Mr Carman pressed him: "That's what it says in the rules." Botham replied: "This rule was written in for over use of short bowling ... It does say in the plural - 'balls'."

Mr Carman repeated his point: "If a bowler is cautioned for intimidatory bowling, would you say that the bowler has been cheating because he intimidated the batsman?"

Botham replied abruptly: "No, sir."

Mr Carman paused and then said thoughtfully: "Ah, you wouldn't, is that because you've been cautioned yourself?" Botham replied: "I think there aren't many quick bowlers who haven't, sir."

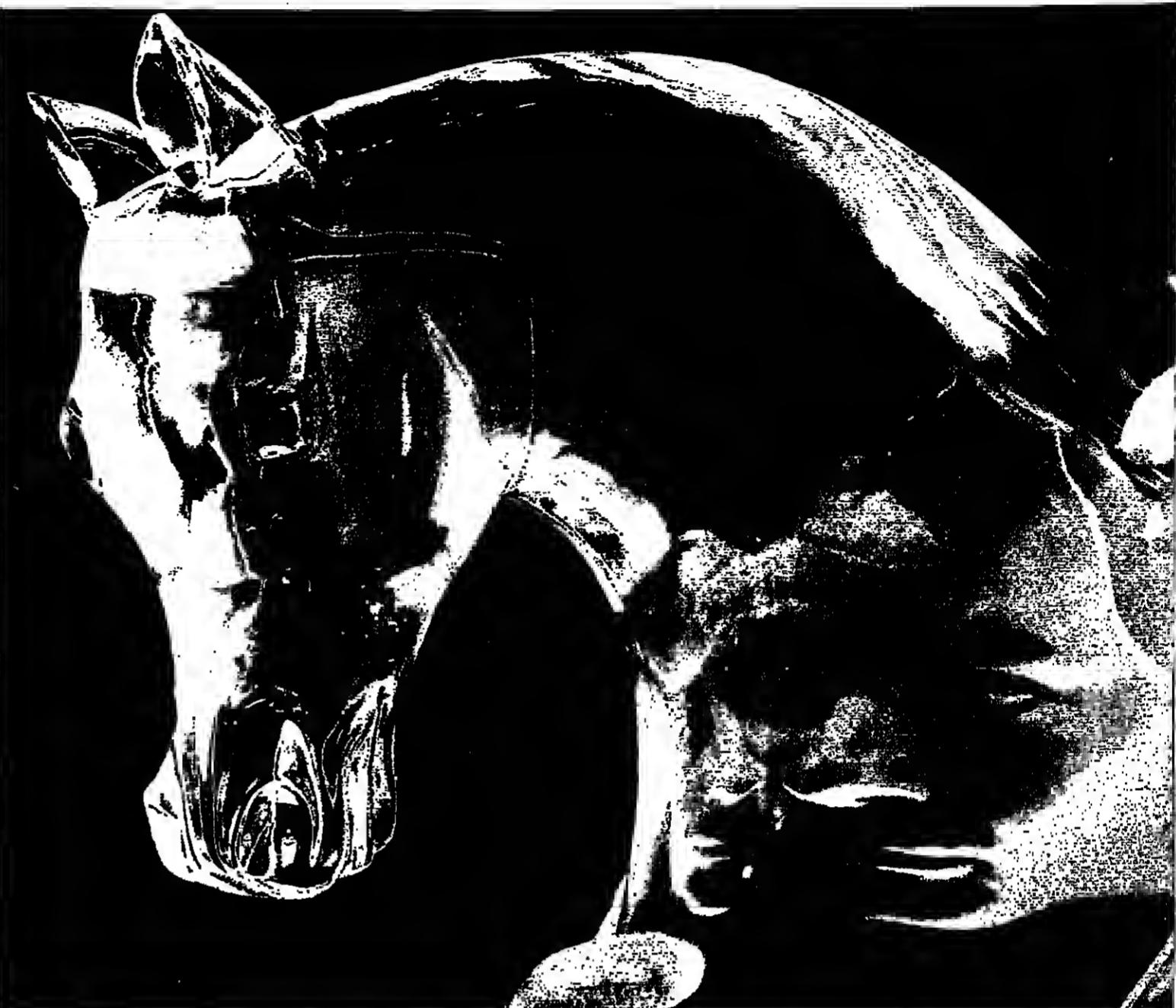
Mr Carman picked up the pace. "Do you say that a breach of Law Eight is not cheating at cricket?" Botham replied: "If you break the rules in any sport you're cheating sir, yes."

Again Mr Carman maintained his line and Botham qualified his answer.

Mr Carman questioned Botham for 45 minutes. He argued that the plaintiff's anti-racist sentiments were not as strong as he had made out to the jury the previous day.

Mr Carman went on to accuse Botham of being a cheat.

The case continues today.



Clearly the best: Nick Dolan, keeper at the Sunderland Museum, Tyne and Wear, with the glass horse's head by Lalique on loan from the Queen. The head is one of 200 Art Deco and Art Nouveau items on show in the Art of Glass exhibition

Photograph: Andy Lamb/Newsteam

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edited by David Lister

Children's author accuses novelists of losing the plot

DAVID LISTER

The winner of Britain's premier children's book award broke with literary convention yesterday when he used his acceptance speech to denounce fellow authors.

Philip Pullman won the Carnegie Medal, nicknamed the Booker of the Playground, for his fantasy, *Northern Lights*, the first book in a trilogy inspired by *Paradise Lost*. In his acceptance speech, he ridiculed Booker prize-winner A S Byatt's latest novel in particular, and castigated contemporary novelists in general.

Receiving the award from Rabbi Julia Neuberger in London yesterday, Mr Pullman said he could only have told such a vast story and dealt with such large themes in the form of a children's book.

"In adult literary fiction, stories are there on suffering," he said. "Other things are felt to be more important - technique, style, literary know-how. The present day would be George Eliot's take up their stories as if with a pair of tongs. They're embarrassed by them. If they could write novels without stories in

them, they would. Sometimes they do."

"But stories are vital. There's more wisdom in a story than in volumes of philosophy, and there's a hunger for stories in all of us. Children know they need them, and go for them with passion, but all of us adults need them too. All of us, that is, except those limp and jaded people who think they're too grown-up to need them."

"What characterises the best of children's authors is that they know how important the stories are, and they know that if you start telling a story you've got to carry on till you get to the end. And you can't provide two ends, either, and invite the reader to choose between them. Or, as in a highly praised novel I'm about to stop reading, three different beginnings. Can't she make up her mind?"

Prize officials confirmed afterwards that Mr Pullman was referring to A S Byatt, and her new book, *The Tower Of Babel*.

The Carnegie Medal was first awarded to Arthur Ransome in 1936. Philip Pullman, a former teacher, who writes in

a shed at the bottom of his garden, says of his new book: "I wanted to say everything I know about the really big things in life, and was inspired by the majesty of the images in *Paradise Lost*. Children's books are the only place where really great writing can happen these days, so it had to be a children's book."

Mr Pullman's win highlights the problem many British authors feel of books being pigeonholed into the children's market, and then being ignored by adults. In America, *Northern Lights* has been marketed as an adult book and has been given a print run of 100,000.

Linda Saunders, of the Youth Library Group, which selects the winners, said: "A 399-page book inspired by *Paradise Lost* is not perhaps the most natural choice for a children's book prize."

But Pullman's magnificent, archetypal storytelling is a life-enhancing challenge to young readers. There's an enigmatic intensity to the book, which has scene after scene of power and beauty."

Leading article, page 15
Section Two, page 13

Opening Of Northern Lights

Lyra and her daemon moved through the darkening Hall, taking care to keep to one side, out of sight of the kitchen. The three great tables that ran the length of the Hall were laid already, the silver and the glass catching what little light there was, and the long benches were pulled out ready for the guests. Portraits of former Masters hung high up in the gloom along the walls. Lyra reached the dais and looked back at the open kitchen door and, seeing no one, stepped up beside the high table. The places here were laid with gold, not silver, and the fourteen seats were not oak benches but mahogany chairs with velvet cushions.

Lyra stopped beside the Master's chair and flicked the biggest glass gently with a finger nail. The sound rang clearly through the Hall.

"You're not taking this seriously," whispered her daemon. "Behave yourself."

Her daemon's name was Pantalaimon, and he was currently in the form of a moth, a dark brown one that was not to show up in the darkness of the Hall.



"They're making too much noise to hear from the kitchen," Lyra whispered back. "And the Steward doesn't come in till the first bell. Stop fussing."

But she put her palm over the ringing crystal anyway, and Pantalaimon fluttered ahead through the slightly open door of the Refectory Room at the other end of the dais. After a moment he appeared again.

"There's no one there," he whispered. "But we must be quick."

MARIANNE MACDONALD
Arts Correspondent

An unexpected literary feud is taking shape following a demand from the Welsh Academy that the Booker judge A N Wilson be sacked from this year's panel on the grounds that he is an "out-and-out racist".

The Academy represents some 1,500 writers including Bernice Rubens, who won the Booker prize in 1970 and Andrew Davies, who wrote the recent BBC adaptation of *Pride and Prejudice*.

In a letter to the award's long-time organiser, Martyn Goff, the academy registered a formal complaint and requested Mr Wilson, literary editor of the

London *Evening Standard*, be dropped from the five-strong judging panel chaired by the founder of the publishers Virago, Carmen Callil.

"One of your judges, A N Wilson, is well known for his stolid anti-Welsh views," the letter warned. "His ill-informed opinions include the following from the *Evening Standard* on 6 March 1993: 'The Welsh have never made any significant contribution to any branch of knowledge, culture or entertainment... They have no architecture, no gastronomic tradition, and, since the Middle Ages, no literature worthy of the name'."

Noting that the Booker was Britain's best-known literary award, it continued: "It does you no favours to include an out-and-out racist on the 1996 panel. Indeed, such a state of affairs should not be tolerated in a civilised society. We therefore ask that A N Wilson be removed from this year's panel of judges."

Kevin Thomas, director of the Welsh Academy, said it had taken such a firm line because A N Wilson's comments were indicative of anti-Welsh prejudice, not because it feared Wilson would discriminate against novels submitted for the Booker by Welsh authors.

Had Wilson directed his

onto the panel in the first place, Mr Thomas argued.

"It seems to be acceptable to say these things about Welsh people. They are characteristic of a certain type of Oxbridge intellectual. We feel the Welsh are the last group that it is acceptable to be racist about and this is a particularly strong example of that."

There was growing anger in Wales about the use of the verb "to Welsh", meaning "to swindle". Mr Thomas added, linked to a growing confidence in Wales and Welshness. "Yet Wilson described the Welsh as dingy, sly and untautled."

Mr Goff, however, is unmoved by the Welsh Academy's argument. "It's unbelievable, I

think. They said, 'This is racism, will you push him off your panel'. But really, the private views of our judges are out of our concern in any way," he reported.

"Any minority thing is their own business and not ours. A N Wilson is there to stay - absolutely. There could be a hundred reasons for removing him, but this is not one of them."

Mr Wilson was oblivious to the storm he had caused yesterday, as he was driving to Cornwall for a two-week holiday. This year's Booker Prize will be awarded on 29 October. ■ Our reference to the film *Stiff Upper Lips* on yesterday's page was in error. In fact, it is not due to come out until late this year or early next year.

Welsh say 'racist' Booker judge must go

London Evening Standard, be dropped from the five-strong judging panel chaired by the founder of the publishers Virago, Carmen Callil.

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politics

Archer is brought to book by his peers

The Tory peer Jeffrey Archer was yesterday voted the "most overrated author who ever lived" – by his fellow politicians.

The best-selling novelist just beat controversial author Salman Rushdie into second place in the poll of 129 MPs. Then came Henry James, Martin Amis, D H Lawrence, Enid Blyton and Iris Murdoch.

Karl Marx got four votes – from Labour and Liberal MPs.

As the results of the survey were being released, Archer was at Harrods, signing copies of his latest novel, *The Fourth Estate*.

He was due to be there until 1pm, but left 10 minutes early – because not enough people turned up. Told of the result of the vote, Archer replied curtly: "How wonderful." He declined to comment further. A Harrods sales assistant said: "There were not as many people as we expected, so he left early."

Seventy-six Conservative, 50 Labour and three Liberal Democrat MPs replied to Dilions' first "Books in the House" survey. They voted Alexander Solzhenitsyn best living author.



Binding decision: Archer's latest read walks off the shelves just ahead of *Hansard*

Photograph: Edward Sykes

SDLP offer hope for peace after Ulster violence

COLIN BROWN and REBECCA FOWLER

Nationalist SDLP MPs, led by John Hume, last night told John Major that there was "no question" of the peace talks in Northern Ireland breaking down. But they laid the blame for the violence which has brought Ulster to crisis point firmly on the shoulders of the Orangemen.

They warned the Prime Minister that the RUC was "not acceptable in any big nationalist housing estates anywhere in Northern Ireland" and raised the reports in the *Independent* about ethnic cleansing. Joe Heddron, the SDLP MP for Belfast West, said the MPs said it was caused by "sectarian bigotry" which would not end until there was a peace settlement.

Irish ministers will travel to London for talks with British ministers today to underline the

anger felt by the nationalist community after the decision to allow Orangemen to march by a nationalist estate at Drumcree.

The British ministers are ready to listen, but they are determined to reinforce the need for tougher security across the border, following the bombing of a hotel in Enniskillen using a car stolen in the South.

The two sides are expected to use the meeting to try to put the Northern Ireland peace process back on track after their angry exchanges over the outpouring of violence in Ulster.

Both sides recognise that relations have reached the lowest ebb since the peace process began, and they have no alternative but to try to repair the damage. Sir Patrick Mayhew, the Secretary of State for Northern Ireland, will meet Dick Spring, the Irish Foreign Minister, with Norma Owen, the Irish Justice Minister, and Michael Ancram, the Northern Ireland Minister.

Dublin and London will seek to accelerate the cross-party talks on substantive issues but there is no prospect of Sinn Féin being allowed in until the IRA resumes its ceasefire. Mr Hume and SDLP MPs

accused the Ulster Unionists of breaking the foundation for the cross-party peace talks, the Mitchell principles, by becoming involved in violence, a charge denied by David Trimble, the Ulster Unionist leader. Mr Hendon said: "There is no question of the talks breaking down. We are boycotting the forum, which is a side issue, but the peace process is not dead. The peace is in tatters but it can be mended."

In Belfast, the future of Sir Hugh Annesley, the RUC Chief Constable, came under further attack yesterday when it emerged he will face a vote of no confidence from the Police Authority later this week.

Sean Neeson, a member of the authority, said: "I believe that the vast majority of people in Northern Ireland, regardless of which community they come from, have no confidence in the decisions that were taken over Drumcree and their aftermath."

According to a senior RUC source Sir Hugh has no intention of resigning despite the barrage of criticism. But he is also expected to come under fierce cross-examination by the Irish government at the Anglo-Irish conference.

New Lord Chief Justice enters fray on judges

PATRICIA WYNNE DAVIES
Legal Affairs Editor

Government hopes that the new Lord Chief Justice would be less troublesome than his outspoken predecessor, Lord Taylor, were dashed last night when Lord Bingham delivered a staunch defence of judges' role in judicial review and the development of the law.

Stepping into the constitutional fray between ministers and the judiciary, Lord Bingham also used his first major speech since his appointment to challenge critics of his commitment to incorporating the European human rights convention into UK law.

In the wake of criticisms that judges are becoming too "political" and too prone to striking down ministerial decisions as illegal, he told the annual Lord Mayor's judges' dinner that it was "preposterous" to suggest judges were equivocal in their deference to parliamentary sovereignty – but no constitutional democracy governed by the rule of law could function without judicial review.

Who he switched from being Master of the Rolls to Lord Chief Justice in May, so Lord Taylor's retirement through ill-health, Lord Bingham provoked a wave of criticism from right-wingers for suggesting that judges might develop a civil law of privacy.

But he insisted last night that judges would "also, when the need arises, contribute to the organic, incremental development of ... the law."



Lord Bingham: Committed to developing the law

Lord Bingham was one of the first judges to call for the European Convention on Human Rights to be incorporated into domestic law, a commitment provoking another onslaught from critics. The Lord Chancellor, Lord Mackay, has insisted that such a move would unduly politicise the judiciary.

Lord Bingham said breaches of the convention were already the subject of judicial decision, but only in Strasbourg. "Commentators who attach most importance to appreciation of conditions in this country, and who are most critical of decisions reached in Strasbourg, might be expected to see merit in this reform," he declared.

He also called on the Government to ensure implementation of the civil justice reforms due to be unveiled by Lord Woolf, the Master of the Rolls, next Friday.

Lilley gets tough on benefit claims

NICHOLAS TIMMINS
Public Policy Editor

Claimants of income support are to face tougher requirements to provide the right information for their claim, and will no longer be chased up if they do not pursue a claim, under a radical redesign of the safety-net benefit announced yesterday by Peter Lilley, the Secretary of State for Social Security.

A study of the benefit, which involves 4 million claims a year and costs £1.7bn to administer, has shown it involves 300 steps, only a third of which are computerised. It uses over 250 forms and takes five days and up to five members of staff to process a claim. Yet they spend only 29 minutes working on it.

The "radical redesign" should cut the number of redesigns to 100 and make the process largely paper-free. Mr Lilley said, with the main checks for errors to be made at the beginning, not, as now, at the end.

A third of the time is spent chasing information from the customer, he said, so "we will make clearer what information is required and put the onus on claimants to provide it." Staff will also be given tighter time targets to clear claims "so that staff are no longer perversely encouraged to pursue claimants who lost interest in their claim."

The change will increase the responsibility of new claimants to provide mortgage and housing details, their last wage cheque, income and other details, a DSS spokeswoman said.

The redesign of how income support is delivered – to be followed by similar reviews of all the major benefits – is part of Mr Lilley's plans to improve the department's efficiency by 25 per cent over three years from 1996/97 to 1999/2000.

Streamlining the process should improve accuracy and reduce large losses from overpayments, he said, as the annual report from the Chief Adjudication Officer has shown woeful levels of accuracy in benefit payments. In fewer than 60 per cent of income support cases did the Benefits Agency produce the right decision and payment.

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Journey to centre of earth puts a gloss on geology

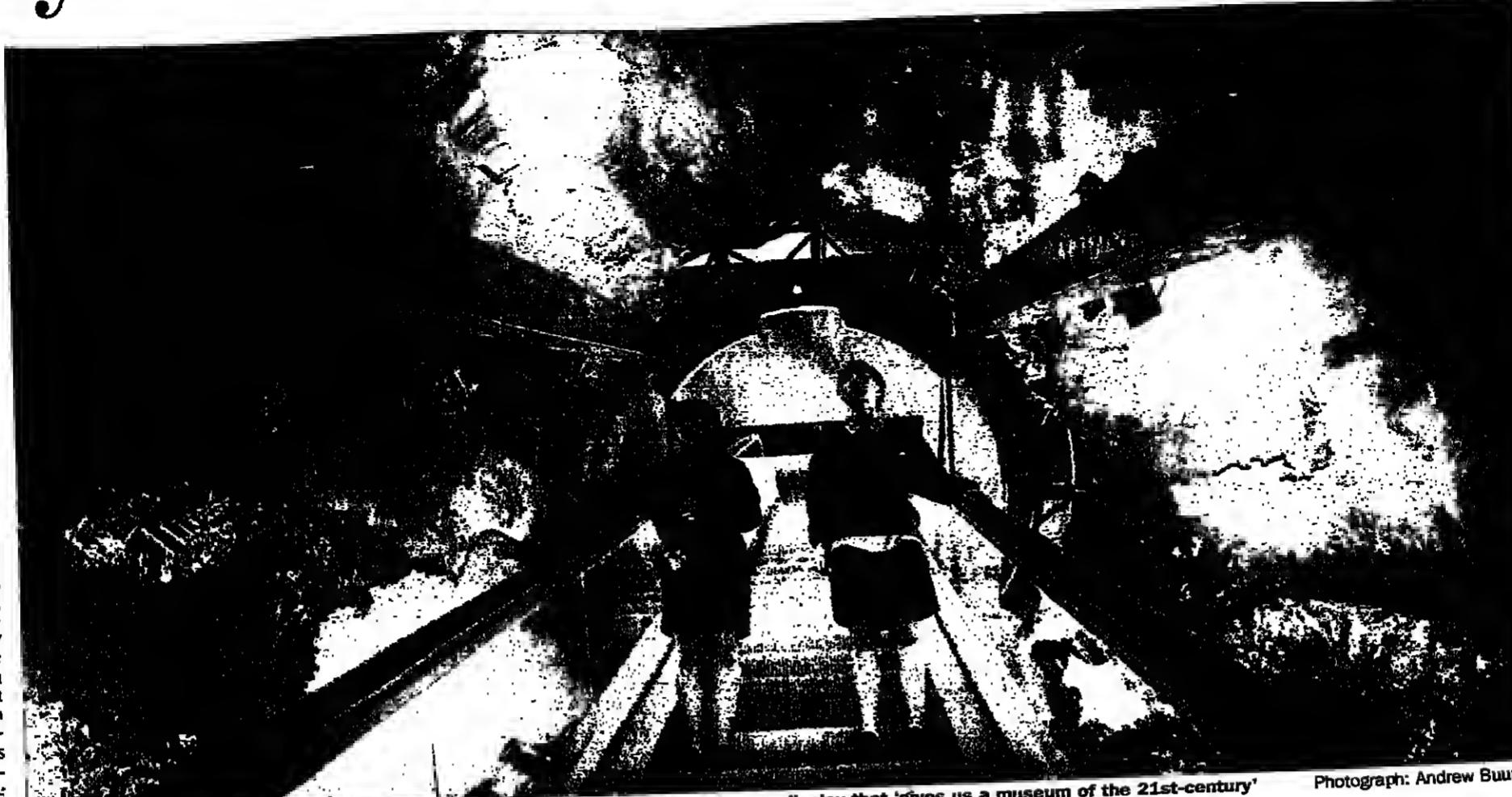
Quakes and volcanic eruptions among Natural History Museum's new £12m display

LOUISE JURY

It is science, but not as we know it. The new vision of the world unveiled at the Natural History Museum yesterday is a high-tech, high-gloss drama with the sound of ambient music. The public will get their first glimpse of the first major National Lottery-funded project to be unveiled when the doors of the museum's new £12m earth science galleries in London are thrown open on Saturday.

In the welcoming atrium, a giant escalator takes visitors through a massive revolving globe sculpture of beaten copper, iron and zinc in a "journey through the centre of the earth". Upstairs, the bold can experience a simulation of last year's Kobe earthquake in a replica of a Japanese supermarket. Another section tells the story of the volcanic eruption of Mount Pinatubo in the Philippines in 1991.

The new galleries are expected to attract an extra 2 million visitors a year to the museum. At the formal launch yesterday, Virginia Bottomley, the National Heritage Secretary, said: "With the support of lottery funds, the latest tech-



Earth shattering experience: Inside part of the £12m lottery-funded earth sciences display that 'gives us a museum of the 21st century'

nology has been brilliantly employed to give us a museum of the 21st century which will enhance the cultural heritage of the nation."

The project began after

research showed that visitors thought the earth science galleries were uninviting and that pure geology was boring.

In a move to communicate

what museum director Dr Neil

Chalmers called "the drama and importance of earth science", the old geological museum, adjoining the Natural History Museum, was closed 18 months ago to prepare for

the new exhibition. It has been designed to appeal particularly to non-specialists.

The lottery money, matching £1m from the sponsors, the RTZ-CRA mining group, and

other cash raised by the museum, means the project should be completed by 1998 instead of taking up to 10 years.

Dr Chalmers said: "For the first time in Britain, we will have

Photograph: Andrew Buurman
a museum that is really going to make the earth sciences accessible to visitors. The duty of scientists today is to help people understand why the earth sciences are so important."

tant." Understanding them helped us gain materials from the earth, such as oil, gas and building materials, in a responsible way, while many minerals and gems were simply beautiful in themselves, he said. They also helped explain how landscapes were formed by the earth's internal processes.

Sir David Attenborough, the naturalist, said yesterday: "Perhaps scientists have taken for granted for too long that the excitement they feel for their subject is automatically felt by everybody. This restores the wonder of what has for too long been considered rather dull and dry stuff."

Roy Hawley, head of education, said the museum wanted to stimulate interest. "It's a question of widening horizons rather than simply being a collection of the answers."

The demands of national curriculum science had been considered in drawing up the designs. But he added: "Although we're predominantly a science-based institution, we're not neglecting the rest of the curriculum. We're keen to encourage people to look at the exhibitions from the point of view of aesthetics and history too."

The new galleries have been constructed using the latest environmentally-friendly technology. Roger Breckon, of Klimaii engineers, said: "It's an exciting project. On the face of it you have a lovely exhibition and behind the scenes you've got the really modern building services technology backing it up."

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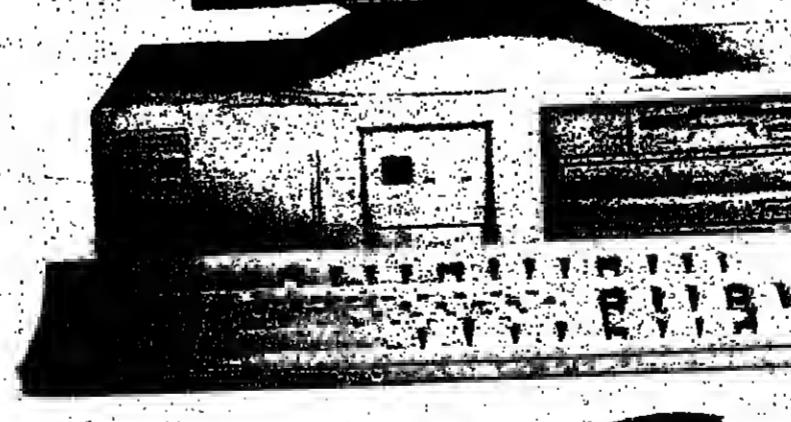
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international

Bosnia crisis: Islamic states insist I-For must seize Serbian leaders and bring them to trial

Pressure grows on the West to arrest Karadzic

DAVID USBORNE
New York
SARAH HELM
Brussels

The Western powers are facing their worst crisis over Bosnia since the signing of the Dayton Peace Accord because of the continuing presence in the country of Radovan Karadzic, the Bosnian Serb leader.

Diplomatic activity reached a pitch yesterday, including at the United Nations, where Islamic nations supported a draft Security Council resolution that would demand NATO arrest Mr Karadzic and the Bosnian Serb military commander, General Ratko Mladic.

The draft UN resolution, obtained by the *Independent*, which will be circulated to Security Council members by Egypt, voices a determination to keep the Bosnian Serb leader out of the elections. It "requests the Implementation Force [I-For] to arrest Radovan Karadzic and Ratko Mladic and surrender them to the International Tribunal in The Hague and authorises I-For to use force, if necessary, to execute this mission".

The issue of what to do about Mr Karadzic has become urgent because of the planned opening this Friday of the election campaign in Bosnia. Pressure is growing from several corners for a Nato-managed military snatch of Mr Karadzic from his base in Pale, a former winter resort near Sarajevo.

Mr Karadzic has been charged with war crimes by the International Tribunal and is the subject of an arrest warrant. The American official in charge of monitoring the elections in

Bosnia, Robert Frowick, of the Organisation for Security and Co-operation in Europe, has vowed to bar the Serbian Democratic Party (SDS) from the campaign while Mr Karadzic, who is its chairman, remains on Bosnian soil. However, most observers believe an election without the SDS would be meaningless.

Ambassadors of the so-called Contact Group of countries most closely involved in the peace process – Britain, the United States, France, Germany and Russia – were due to meet late yesterday to iron out their differences over the best way forward.

Germany and the US have been most outspoken in threatening tough measures to force out Mr Karadzic, preferably via the reimposition of economic sanctions.

Even Britain, which until recently advised against inflaming Balkan tensions, has, according to senior sources, accepted that one of three options will now have to be considered: a gradual reintroduction of economic sanctions against the Bosnian Serbs and possibly also against Yugoslavia; a full-fledged reintroduction of sanctions by the Security Council; at the extreme end of the spectrum, a military kidnapping of Mr Karadzic and General Mladic.

Britain and other states have asked Carl Bildt, the senior international civilian representative in Bosnia, to come to the UN in New York as soon as possible to consider the next steps forward.

"The council has not seen fit to change policy. It is continuing to stick with it. There is consensus on this from all the allies," one Nato official said. Letters, page 15

Dayton are in violation of its provisions, all former sanctions applied to Yugoslavia would automatically be reimposed.

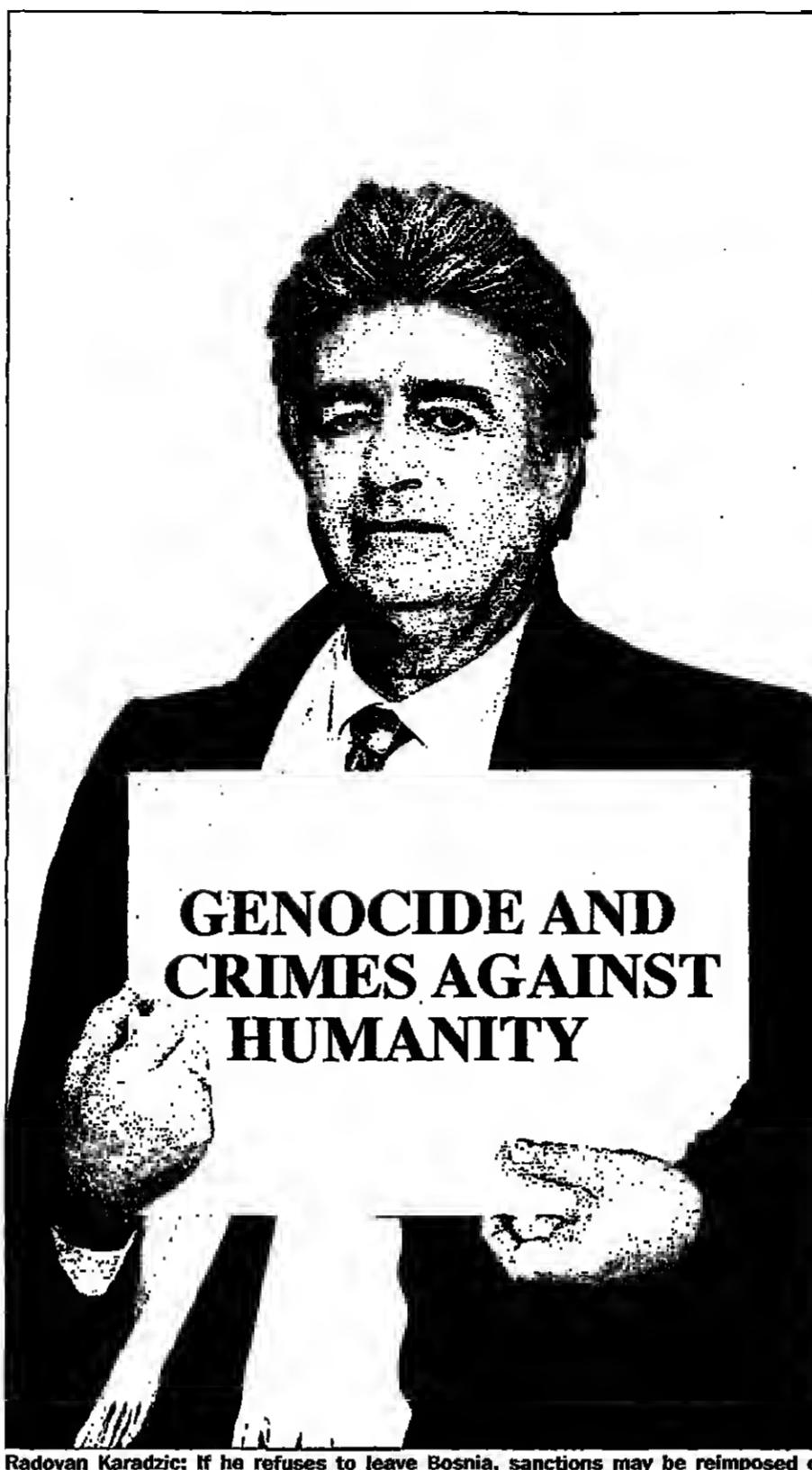
Hopes that the crisis may still be defused rest mainly with President Bill Clinton's personal envoy, Richard Holbrooke, who arrived yesterday in Belgrade for talks with the Serbian President, Slobodan Milosevic. Mr Holbrooke was expected to threaten the reimposition of sanctions unless Mr Karadzic is persuaded to leave Bosnian territory.

While the US administration is on the side of the hawks in wishing to threaten and, if necessary, implement sanctions, it is divided over the plan to arrest Mr Karadzic. While the State Department is believed to strongly favour that option, the Pentagon has voiced fervent opposition.

Nato leaders are still opposed to giving I-For forces stronger powers to hunt down and arrest Bosnian war criminals. Nato officials said yesterday. Although the alliance has not ruled out adopting a tougher line, the 16 member countries still hold out the hope that diplomatic pressure will persuade Mr Milosevic to round up the Bosnian Serb war criminals himself.

Despite tougher words from some I-For commanders, there have been no attempts within the North Atlantic Council to change their policy, said Nato sources, and no discussions on the matter are planned.

"The council has not seen fit to change policy. It is continuing to stick with it. There is consensus on this from all the allies," one Nato official said. Letters, page 15



Radovan Karadzic: If he refuses to leave Bosnia, sanctions may be reimposed on the Bosnian Serb entity and even on Yugoslavia

Photograph: Rex Features

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Russian troops 'torched' Chechen civilians

TONY BARBER
Europe Editor

The discovery of eight scorched and mutilated corpses, alleged to be civilians murdered by frenzied Russian soldiers, sent tensions soaring in Chechnya yesterday and raised fears of retaliatory terrorist attacks in Russian cities. Chechen villagers and Western eyewitnesses saw six corpses burned beyond recognition on the road leading west from Grozny, Chechnya's capital, and another two blood-soaked corpses with their ears cut off.

Local Chechens, hysterical with rage and grief, blamed the killings on rampaging Russian troops who they said had attacked a group of civilians in their cars on Monday night. They accused the soldiers, who arrived in two armoured personnel carriers, of shooting their victims, cutting their throats, soaking their bodies in petrol and setting them on fire.

Four burnt-out cars lay at the scene of the killings, which represented the worst atrocity in Chechnya since a shaky truce took effect last month between Russian forces and separatist Chechen rebels. The Interfax news agency reported that 13 people had died.

The villagers' description of a brutal and unprovoked slaughter by wild soldiers whose commander drove them off with screams of "Into battle!" was denied by the Russian armed forces, which blamed the killings on the rebels.

Lebed's man named as defence minister

TONY BARBER
Europe Editor

President Boris Yeltsin appointed a new defence minister yesterday in a move that appeared to strengthen the influence of Alexander Lebed, his national security chief. The President's office named the new minister as General Igor Rodionov, 59, who has been back to the Soviet era.

Mr Lebed, a retired general, mounted a vigorous public cam-



Heat of battle: Chechens gather round a burnt-out car they say Russian troops attacked while (right) Russians rampage after a victory over separatists



Photographs: Reuter

However, representatives of the pro-Moscow Chechen government, daring to contradict the official Russian line, appeared to endorse much of the villagers' version of events.

A deputy prime minister in the government, Abchulash Bugayev, quoted witnesses as saying that Russian troops had

gunned down the victims. The government's press spokesman, Ruslan Martagov, pointed the finger of guilt at the party of war, a term that denotes hardliners in the Russian army and security services.

He also said that three more disfigured corpses had been discovered yesterday in the

village of Katyr-Yurt, about 17 miles south-west of Grozny. It was not clear whether these killings were connected to those of Monday night, but Mr Martagov quoted local residents as saying that Russian troops were responsible.

The impression of increasing anarchy in Chechnya was

enhanced by a report that Russian interior ministry troops in Grozny fired last Sunday on a vehicle belonging to their own side. A teenage civilian was killed in the crossfire and two women were wounded, according to a Chechen interior ministry spokesman.

Russian military operations

have returned to pre-truce levels since President Boris Yeltsin was re-elected on 3 July. Russian forces have launched artillery and air strikes at rebel strongholds in south-east Chechnya, killing dozens of civilians and fighters, and there seems no chance of a Russian military withdrawal from the

republic by 1 September, as foreseen in the truce.

The resumption of attacks on civilians has disturbed Western governments, which kept silent about the Chechen war during the presidential campaign in order not to jeopardise Mr Yeltsin's re-election.

Mr Yeltsin bluntly told the

visiting US Vice-President, Al Gore, this week that although he wanted a negotiated settlement, "bandits" had to be suppressed.

Spokesmen for the rebels said that one Chechen commander, Shamil Basayev, favoured "pin-point strikes against vital targets" in Russia in retaliation for the new Russian offensive. Last year he carried out a notorious armed raid on the southern Russian town of Budyonnovsk in which more than 100 people died.

However, the rebels denied an accusation last Tuesday by Russia's Interior Minister, Anatoly Kulikov, that they were behind two bomb attacks last week on Moscow's trolleybus system that wounded 33 people. There was a similarly unexplained explosion on Moscow's metro system during the election campaign.

Russia's leading human rights activist, Sergei Kovalev, who suffered a heart attack last week, condemned the latest Russian assault in a letter to Mr Yeltsin from his hospital bed. "The day after the official announcement of the election results, you renewed the bloody Chechen war — that same war which you pledged to stop, thereby assuring yourself of election victory," he wrote.

"You have crudely deceived 40 million voters who supported you," Mr Kovalev resigned as Mr Yeltsin's human rights commissioner in protest at the December 1994 intervention in Chechnya.



General Igor Rodionov: An old friend of Lebed

aign for his friend's promotion after being appointed last month to the twin posts of secretary of the Security Council and Mr Yeltsin's national security adviser. He described the white-haired General Rodionov as "a brilliant general, a worthy and valiant man".

However, Russian military specialists said it would be wrong to conclude that Mr Lebed had forced General Ro-

dionov's appointment on Mr Yeltsin, who has been in poor health for the past three weeks. One general and pro-government member of parliament, Lev Rokhlin, said Mr Yeltsin had been considering General Rodionov for the defence minister's job several months ago.

The job became vacant after Mr Yeltsin, seeking votes in the second round of Russia's presidential election, sacked the unpopular Pavel Grachev, a loyal ally during the attempted coups of 1991 and 1993. Mr Lebed had made no secret of his intense dislike of Mr Grachev and almost certainly made the minister's dismissal a condition of his acceptance of the national security jobs.

General Rodionov served with Mr Lebed in the Soviet armed forces in Georgia in the 1980s when pressure for independence was growing in the small southern republic. He was commander of the Transcaucasian military district in April 1989 when his forces killed 19 Georgian nationalist demonstrators in Tbilisi.

A Soviet parliamentary commission later blamed General Rodionov for "violations" in Georgia. But in his memoirs published earlier this year, Mr Lebed said his friend ought not to have been made a scapegoat for politicians' mistakes.

He was later appointed to run the General Staff Academy, which he now leaves for the defence ministry. The general is expected to work closely with Mr Lebed on a programme of far-reaching reforms intended to modernise the army.

Poles restrict top civil service jobs to ex-communists

Warsaw (Reuter) — Critics yesterday denounced a new law regulating Poland's public administration for excluding all except ex-communist officials from top civil service posts.

"This law clearly discriminates against all those who before 1989 were outside the communist bureaucracy," Adam Michnik, editor of the daily *Gazeta Wyborcza*, wrote.

President Aleksander Kwasniewski, himself a former communist, signed the civil service law on Tuesday, even though he agreed with opposition charges that it contained flaws.

The measure, linked to a wider administrative reform, aims to guarantee that officials are properly qualified.

But it rules that top officials must have seven years' experience, including four years in managerial posts — leading critics to accuse the ruling ex-communist Democratic Left Alliance (SLD) of blocking those who were not part of the pre-1989 communist system.

They also object to a provision that graduates of a special national college, founded in the early 1980s to train civil servants for democratic Poland, will not qualify for higher posts.

"This law is clearly bad as it puts people from the old system

into privileged positions," said Andrzej Potocki, spokesman of the centrist opposition, Union for Freedom.

Mr Kwasniewski, who is close to the SLD, he once led, acknowledged that there were problems with the otherwise necessary law and wrote to parliament suggesting changes before it takes effect on 1 January.

Mr Potocki said that his party would accordingly have an amendment to the law ready this week.

"We will propose limiting the required period in office from seven to three years, including a requirement for knowledge of foreign languages among lower officials, and allowing graduates of the National School of Public Administration to attain high posts," he said.

Dariusz Klimaszewski, press liaison officer for the SLD's core party, said the charges of favouring ex-communists were unfounded as veterans of the old system were retiring anyway.

He said there might be a case for introducing a fast-track for talented young people to senior jobs, but he attacked the outspoken criticism of the new law. "To portray something which is an evident success as a bad measure is simply not fair," he said.

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MEPs ban gifts in bid for high ground

KATHERINE BUTLER
Strasbourg

In a move which they claim gives them the moral edge on their Westminster counterparts, Euro MEPs yesterday voted to accept a ban on gifts from outside interests and junkets to exotic locations. They stopped short, however, of defining what constitutes a gift, or allowing their financial interests to be subjected to public scrutiny.

After seven years of internal wrangling, deputies hope the latest plan will clean up the gravy-train public image of the parliament and boost the campaign to win more legislative powers.

The vote comes as a breakthrough for those who have been attempting to open the lid on the business activities of MEPs and also regulate the growing army of professional lobbyists prowling the corri-

dors of Strasbourg. Whether the new rules will act as a significant curb on undue influence on law-making by lobbyists is still far from clear. MEPs claim they have banned gifts and junkets but they will still be allowed to accept invitations from foreign governments and benefits in cash or kind on top of regular pay and expenses – provided they relate to their work and are declared in the public register.

The hope is that the obligation to disclose benefits or invitations will effectively put an end to the spectacle of hundreds of MEPs jetting off to Turkey for a week prior to a crucial Strasbourg vote on the EU-Turkey association agreement.

Labour MEP for Manchester, Glyn Ford, who campaigned for the measures admitted the formula was not perfect, but said MEPs would now be making fuller declarations of what they received than members of the

House of Commons. MEPs will, for the first time, be obliged to make an annual declaration of their professional interests, although they will not have to report on the scale of their earnings from outside activities. Mr Ford conceded that transgressors would not face formal sanctions for breaches but said the threat of public censure would help discourage abuse.

Yesterday's vote came after Socialist MEPs and centre-right Christian Democrats – which include British Conservatives – settled a long-running squabble over the extent to which gifts should be covered by the rules.

Many Christian Democrats argued that a sweeping ban would rule out even cups of coffee or a bunch of flowers for an MEP attending a conference. An amendment by a Conservative MEP, Brendan Donnelly, aiming to limit the ban to gifts likely to affect votes was de-

feated. Mr Ford said the ban on gifts meant an MEP could accept a bottle of wine from a lobbyist, but not a crate. "Nobody would argue a cup of coffee is a gift but obviously a free weekend in Paris is. It's a question of common sense."

He said "dozens" of MEPs had been to Taiwan and Indonesia in the past few years, at the expense of the two governments, each desperate to win parliamentary ratification for EU trade or political accords.

Meanwhile lobbyists, who now number up to 10,000 when interests from the tobacco giant Philip Morris to Amnesty International are included, will have to sign a special register in Strasbourg and abide by a code of conduct. The expansion of the parliament's powers to shape legislation under the Maastricht Treaty has made the institution an obvious target for lobbyists.



Depth of feeling: Residents protesting against eviction from a hillock in Quito, Ecuador, after partially burying themselves in the ground. Homeless families have been squatting on the hillock for 11 months. Photograph: AFP

A meal from Sainsbury's that won't cost a mint.



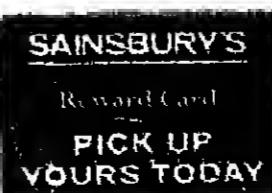
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Germans help Israel retrieve soldiers' bodies

ROBERT FISK
Beirut

The German intelligence service was last night preparing to oversee an exchange of the bodies of two Israeli soldiers for the remains of at least 14 Lebanese guerrillas buried in a makeshift cemetery in northern Israel. The involvement of the Germans – and in particular of Bernd Schmidbauer, Chancellor Kohl's senior intelligence adviser – underlines Germany's close connections with the Iranian intelligence service, which had to approve the exchange.

German security and forensic officers had earlier moved into Beirut's Summerland Hotel with orders to confirm that the two bodies in Lebanon were those of Rahamim al-sheikh and Yosef Fink, Israeli occupation soldiers who were wounded and captured during a Hezbollah ambush on their patrol inside southern Lebanon in 1986. In a makeshift cemetery at Gadiot in northern Israel, Israelis had earlier exhumed the bodies of at least 14 guerrillas and taken them from the graveyard in wooden coffins.

Negotiations for exchanging bodies – the most gruesome and sinister bazaar in the Middle East conflict – have been a part of almost every Arab-Israeli war, continuing even while hostilities are still in progress. Israeli



Swapped: Yosef Fink, killed by the Hezbollah

air raids and Hezbollah attacks on Israeli troops in Lebanon have gone on while Mr Schmidbauer – who negotiated the release of two German hostages in Beirut in 1992 – has been waiting to fly to Damascus for talks with Hezbollah officials.

The Hezbollah want the release of Sheikh Abdul-Karim Obeid and Mostafa Dirani, both kidnapped in Lebanon by the Israelis in 1989 and 1994. Israel wants the Hezbollah – or the Iranians – to free Rami Arad, an Israeli air force navigator shot down at Sidoar in 1986.

When it was discovered that German and Iranian intelligence services had held consultations in Bonn last year, Israel was loud in its condemnation: now, it seems, the Germans are being rehabilitated to the interests of the body exchange.



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Egypt applies gentle pressure to Netanyahu

PATRICK COCKBURN
Jerusalem

Benjamin Netanyahu will visit Egypt today, his first trip to an Arab country as Israeli Prime Minister. But he will not be allowed by the Egyptian government to visit the Pyramids or look at the gold coffin of Tutankhamun in Cairo. It is the sort of small gesture by which the Arab world is trying to edge Mr Netanyahu towards implementing the peace accords with the Palestinians.

"Israel cannot say and do whatever it likes, because it made a contract at the [1991] Madrid conference," said Osama el-Baz, senior adviser in President Mubarak. "It also accepted the principle of land for peace and the legitimate political rights of the Palestinian people."

In a flurry of diplomatic activity, Mr Netanyahu met Abdul-Karim Kahariti, the Jordanian Prime Minister, on Tuesday night, at the request of Jordan. Mr Kahariti said: "I sense that there is a sincere commitment from Prime Minister Netanyahu when it comes to making peace." He did not, however, spell out the nature of that commitment.

The Arab world is still in a state of shock over Mr Netanyahu's visit to the US last week, and the applause that greeted his hard line in the Congress. Not only did he repeat his rejection of a Palestinian state, negotiations on Jerusalem and the return of the Golan to Syria, but he gave the impression that he would expand Jewish settlements on the West Bank. Since he signed a peace treaty

with Israel in 1994, King Hussein had been committed to acting as a bridge between Israel and the Arab world. With the election of Mr Netanyahu, this operation becomes more delicate. "This year will be a difficult one for Jordan," said a senior diplomat. "You can hear people more and more openly criticising the King at levels like ministers, where people are supposed to bow."

Probably Mr Netanyahu does not need to do much to prevent an overt rift with Egypt, which remains very dependent on the US. If he announces the long-awaited partial Israeli withdrawal from Hebron in the next month, this will be taken as a sign that the Oslo accords are still live. Yasser Arafat, the Palestinian leader, is continuing co-operation with Israel in the belief that this is his best lever in dealing with Mr Netanyahu.

Mr Arafat could have chosen another policy. Dr Khalil Shikaki, of the Centre for Palestine Research and Studies, says a better strategy for the Palestinian Authority might be to provoke an immediate crisis by halting all security co-operation with Israel and releasing all Hamas prisoners. This could be supplemented by mass demonstrations by Palestinians and highlighting of Palestinian military and political control of parts of the West Bank. Dr Shikaki argues that Mr Netanyahu's record shows that he backs down under pressure.

It is unlikely that Mr Arafat will adopt this strategy. Under his leadership, the PLO has never been effective in leading a mass movement. The Palestinian



Bibi out: Public-sector workers calling for the resignation of the Israeli Prime Minister, Benjamin Netanyahu, outside the Knesset (parliament) yesterday at the start of a one-day strike. They are angry about budget cuts by the new Likud government

Photograph: Reuter

Palestinians resist Arafat land seizure

PATRICK COCKBURN
Nablus

In two tents pitched on a rocky hilltop the people of Jneid village were gathering to protest against the confiscation of their land. For once their anger was not directed against the Israelis, but the regime of Yasser Arafat, the Palestinian leader, who plans to build his West Bank headquarters on twelve acres they say they have owned for 1,000 years.

Hassan Hussein, the *mukhtar* or leader of Jneid, a cluster of houses overlooking Nablus, the largest city on the West Bank, said: "We are sure Arafat did not know what was happening. But this is our land and we need it for building." Ziyad Ibrahim, another villager, added: "We struggled for so many years to

people from the municipality came with PA soldiers to start work," said Billal, a teacher from Jneid who did not want to give his full name. "We clashed with them for three days." The villagers appealed to the court in Nablus against the loss of their land. They also set up two tents on the land to prevent construction starting.

"On Friday night at 3am somebody came and poured kerosene over our chairs, tables and flags," said Billal. "Then they opened fire with sub-machine-guns at the tents themselves, though there was nobody in them at the time."

The villagers believe Mr Arafat has been misled by security men. But local Palestinian politicians and intellectuals say that the authoritarianism ultimately stems from Mr Arafat himself. A survey of students at al-Najah university in Nablus showed that two-thirds believe that freedom of speech has been negatively affected by the arrival of the Palestinian Authority.

Dr Shikaki said the basic feature of the quasi-state which Mr Arafat rules in Gaza and in parts of the West Bank is that "it is authoritarian, though not totalitarian". Hussam Qadr, a member of the Legislative Council, said: "The police are judge and jury." Other residents of Nablus say the incoming Palestinian police officers behave like occupation troops, furnishing their offices by removing furniture, for which they never pay, from local shops.

Mr Arafat does not have much choice. Israel and the US have consistently demanded that he "crack down" on Hamas and Islamic Jihad, the fundamentalist guerrillas. It is not surprising that the security arm of the nascent Palestinian state is overdeveloped. The ability to provide security to Israel against suicide bombers is Mr Arafat's only strong card in dealing with Benjamin Netanyahu, the Israeli Prime Minister.

This excuse does not apply to the confiscation of the lands of a village like Jneid. "Yes to a state of law. No to taking this land by force," read a banner hanging beside the tent where the villagers were waiting for Mr Arafat. "He is still our leader," said Hassan Hussein. Dr Shikaki believed this tolerance will not last and the friction between the PA and the people of the West Bank "will inevitably lead to an explosion and bloodshed".

In the morning 12 days ago

Events at Jneid bear him out. Villagers say that in the past they fought off attempts by the Jordanian government, while it held the West Bank, and later by Israel after 1967, to take from them their olive groves and grazing land. Last year they heard rumours that Hassan Shakaa, the mayor of Nablus, was encouraging Mr Arafat, normally based in Gaza, to build his headquarters for the West Bank at Jneid without paying compensation.

In the morning 12 days ago



Arafat: Using villagers' land for his headquarters



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international

Sushi poisons 5,000 Japanese children

RICHARD LLOYD PARRY
Tokyo

"Eel, source of strength in the midsummer heat," wrote an anonymous lyricist in the 8th-century poetry anthology, the *Ten Thousand Leaves*. For 1,200 years, Japanese have fortified themselves against lethargy in the hottest months by eating this most delicious of fish: eels on rice, broiled eel kidneys, and sea eel sushi – cooked, doused in sweet sauce, and served on bite-sized morsels of sticky rice. But after this year, eels will never taste the same again.

Last night, a seven-year-old girl was critically ill in hospital, and nearly 5,000 other children were sick after being poisoned by eel sushi in their school dinners, the latest in a series of unexplained food poisoning cases which have already killed four people since May.

Cleanliness and ritual purity

occupy a central place in Japanese culture and religion, and the recent rash of poisonings has caused something close to panic.

In Sakai, a satellite city of Osaka where the latest outbreak has taken place, public swimming pools and all 92 schools have closed early for the summer holidays. Detergent manufacturers have reported a nationwide boom in sales of bleach and disinfectant, and cabinet ministers have been holding emergency meetings and flying in to comfort victims.

"We're here to find out what exactly brought this about and learn what we can do about it," the Health Minister, Naoto Kan, told reporters at a hospital in Sakai.

So far, though, the answers to those questions remain elusive. "Matters are not resolving themselves," said the mayor of

Sakai, Hideo Hataya, yesterday. "They are getting worse." Since the first isolated cases were reported in May, the poisonings have harmed more people than last year's sarin nerve gas attack on the Tokyo subway.

The germ causing the havoc has been identified as O-157, a strain of the *E. coli* bacteria which breeds in the human intestines, creating a toxin similar to the one which causes dysentery. A few hundred of the microscopic bacilli are enough to cause sickness.

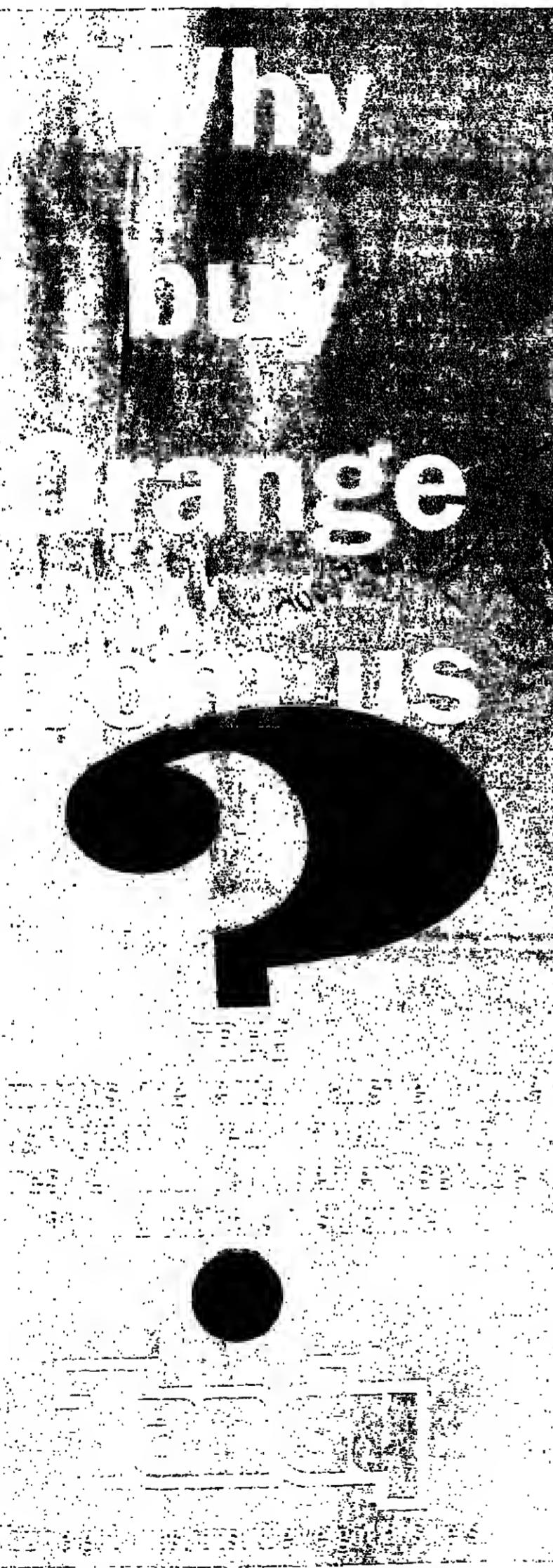
Healthy adults usually recover from the illness, but children and the elderly are at grave risk. The early symptoms can be mild (in a previous case many young victims were sent home believing they had colds), but vomiting and bloody diarrhoea can lead to brain damage, kidney failure and death.

The bacilli can incubate for more than a week, making it difficult to track down exactly what food or liquid has been infected by them. The culprit in the recent case is believed to be a batch of eel sushi, prepared by Sakai's central school dinner depot on 5 July.

O-157 was discovered in the United States in 1982 and first appeared in Japan eight years later. Why then has it proved so difficult to eliminate? Responsibility, as so often here, appears to lie with the bureaucracy, and the inadequate co-ordination between local and national bodies.

The terror posed by the outbreak of the O-157 colon bacillus is gripping the nation," the *Yomiuri* newspaper observed in a leader this week. "The health authorities are fully aware of the danger of this bacillus, but they have obviously failed to share their knowledge with doctors and school lunch officials at the local level."

Sickbeds: Schoolchildren in Sakai receiving hospital treatment for food poisoning. Photograph: Yomiuri Shimbun/AP



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adamantly refused to allow permanent settlement, fearing a fresh exodus of asylum seekers. Even those who qualify for refugee status, under standard UNHCR criteria, are not allowed to settle outside refugee camps but remain in centres pending entry to countries of asylum.

Hong Kong and Malaysia have stepped up forced deportation programmes, aiming to clear the detention centres of boat people by the end of the year, in Malaysia's case, and in Hong Kong's, before the middle of next year when China resumes sovereignty.

The Philippines' move comes as other east Asian destinations are hasty deporting boat people, and the United Nations High Commissioner for Refugees (UNHCR) has stopped sponsoring camps for them.

The guiding hand behind the government's action appears to be the influential Roman Catholic Church, which stepped in last February to prevent the authorities from carrying out a programme of forced deportations of boat people who do not qualify for refugee status.

The administration of President Fidel Ramos had been taking a hard line, and having limited success in persuading the Vietnamese to return home voluntarily; still, fewer than 2,000 people were in the camps.

Meanwhile, the UNHCR, citing more pressing refugee problems elsewhere, has cut off assistance to the Philippines government for maintaining the migrants. In recent weeks, Filipino charities have provided food and other support.

By making the Vietnamese, in effect, permanent residents, the government will be able to close down the camps and integrate the remaining 1,500 to 2,000 boat people into the workforce.

The Philippines, in contrast, has let its boat people work as farmers and fishermen and kept them in conditions more closely resembling villages than barbed-wire-enclosed prisons.

Philippines to let Vietnam refugees stay

STEPHEN VINES
Hong Kong

The Philippines, the poorest Asian country to have taken in Vietnamese boat people, has become the only nation to allow them to settle permanently, although the government says it will continue to try to persuade them to leave voluntarily.

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French defence cuts spike hostile guns

MARY DEJEVSKY
Paris

Howls of anguish and indignation were to be heard the length and breadth of France yesterday, as the Defence Minister, Charles Millon, spoke out details of precisely how the French defence sector is to be slimmed down and restructured.

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military training establishments – including academies at Strasbourg, Clermont-Ferrand and Metz – are to be closed by 1998.

Units stationed in Germany will be subjected to particularly sweeping cuts, as 11 of 14 regiments – 17,000 out of 20,000 servicemen and civilians – are due to be disbanded or transferred by the end of the century.

As the chairman of the Socialist group on the parliamentary defence committee, Jean-Michel Boucheron, grudgingly admitted, however, the cuts had a certain "logic".

The Defence Minister has wielded a scalpel rather than an axe. He has ensured where possible that the towns and cities affected by the loss of regiments and military establishments retain at least one of their existing military institutions, so limiting the economic damage.

The cuts include the closure of three air bases and four military hospitals, while the military sports centre is to be transferred and centralised at Fontainebleau. Up to 40

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Why modern literary culture has lost the plot

Pilgrims on the path to literature have been finding the going harder and harder. They want to follow the road to its promised destination, but they keep stumbling on the way. Often they meet diversions, which turn out to go nowhere at all. Frequently, despite its promise, the road peters out altogether.

Not many people mention their failed excursions into literary culture, because they are embarrassed to admit they found them so tough. But yesterday one soul spoke up for many: Philip Pullman, winner of the Carnegie medal for his children's book *Northern Lights*, used his acceptance speech to deride the fashion for ignoring stories in contemporary literature.

"In adult literary fiction, stories are there on sufferance," he said. "Other things are felt to be more important: technique, style, literary know-how. The present day would-be George Eliots take up their stories as if with a pair of tongs. They're embarrassed by them. If they could write novels without stories in them, they would."

Stories are a vital part of the way we understand and order the world. They are the stuff of our daily emotional communication. Bill Buford, writing in the *New Yorker* recently, argued that storytelling is actually on the way back because "they are a fundamental unit of knowledge, the foundation of memory, essential to the way we make sense of

our lives... It is possible that narrative is as important to writing as the human body is to representational painting."

Such words come like rain after drought for everyone who has struggled in vain with the "literary" writers of our age. How many readers listen to Mr Pullman and remember the time they shamelessly gave up on the latest Salman Rushdie at page 12? How many experienced as much torment as enlightenment in the hands of Kazuo Ishiguro? How many struggled vainly with Ben Okri? Who really likes Martin Amis's *The Information* (as opposed to agreeing that they are in some way impressed by it)? In every case, the readers of these books know that they are consuming elegant, poised, brilliant, perceptive prose. But somehow they just couldn't keep going, because, well, it wasn't quite what they wanted.

Yet those writers, and many others along with them, are sold to us as being in the front rank of novelists today. Is it just possible that we are hearing false prophets? Or even, dare it be said, that a self-perpetuating literary élite is frustrating its own sectional "value" on us?

If Dickens were writing today, he would probably be patronised, rather than lionised: an amusing popular entertainer. Jane Austen, probably, would encounter the same fate, on the grounds that her subject matter is trivial: domestic romance and the pursuit of marriage to rich men. George Eliot



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might have a certain success in the Booker stakes, and sell well in paperback, but she wouldn't quite make it to the ranks of the literary élite.

For we have reached the point where the cultural world admires Premier League writers, whom a few read, but fewer enjoy, while relegating those who write stories that people want to read from the first page in the last.

Then there are writers who are pigeonholed into their "genre". Thus, PD James is good – but only for a crime novelist. Iain Banks writes sci-fi, so he can't be wholly serious. Even William Boyd, one of the best story-writers in

English today, isn't quite accorded the same respect as "intellectual" novelists.

It is symbolic that our literature students today are taught to deconstruct novels, not appreciate their construction. They know how to interpret the unsaid, and to weigh silences between the lines. Literature has disappeared into its own reflection.

Of course, some writers who sell millions are great story-tellers, and not much else. They don't open our eyes to anything much – and don't really claim to: writers from Ken Follett to Shirley Conran, Dick Francis to Georgette Heyer, offer the pleasure of a

good tale that may subsequently be gaily forgotten, but kept us well enough enthralled at the time.

There is an unpalatable side to the blockbuster, too: its tendency to plump for formulaic and tedious plots as a substitute for imagination and invention, throwing in the right number of sex scenes, decapitated bodies, and the right measure of money-hustle to ensure the book's film rights and a good lead in the Hollywood rewrite.

But that kind of low-grade entertainment has always been with us: it does not alter the fact that some strongly selling books (Elmore Leonard's crime novels, for instance, or John le Carré's spy stories) should rank along with the best literature of our times.

The danger of "literary" élitism is that we allow ourselves to be persuaded that a book with a story can't be quite the best (even though we have "intellectual" successes like *The Name of the Rose* to prove otherwise). When we were children, we knew better. We walked through Charles Ryder's low door in the wall, band in hand with Roald Dahl, Frances Hodgson Burnett, Enid Blyton, Noel Streatfield. We trusted them, and those stories stayed with us forever. The moment when the clock struck 13. When Charlie found his ticket to the chocolate factory. Apple pie beds in Mallory Towers. Ballet shoes.

Like Charles Ryder, we grew up and lost the key to that magic world. With

the maturity of adulthood we learned to worry about impressing others with our intellect. We felt the need to impress our friends. We pandered to the cultured, educated classes. We discovered dinner parties. And so books changed their function. Instead of passports to another world they became status symbols of this one. The clock stopped striking 13.

In anonymity, liberty

Talking of books – it's just too bad that Joe Klein should be unveiled as "Anonymous", author of *Primary Colors*, the most famous American political novel of the century. Anonymity has a flash that no bare name can match. Supposing the characters rescued by the Scarlet Pimpernel or Superman knew the identity of their saviours? They'd feel let down. Suppose the business executives who lap up the anonymously written wisdom of the *Economist* knew the names of the lisping youths responsible? At a time when glossy novels are sold on the basis of authors' phantasies, a mystery ID adds spice and authority. Above all, it allows the author more liberty to speak out of turn. I mean, you wouldn't want to know who wrote this, would you?

LETTERS TO THE EDITOR

Ulster's silent majority shares blame

Sir: For a population of one and half million people, the Northern Irish make a lot of noise. Your leading article "The Irish peace that can only come from within" (16 July), though painful, lays out clearly a suspicion I have held of my fellow countrymen for some time.

The silent majority, of which my family in Ulster is, I suppose, a part, is guilty of complacency and complicity. The violence does not happen on their streets, they make a good living (sponsored by the British taxpayer) and political discussion is carefully avoided when golfing with friends from the other side.

When asked to vote, however, they vote as their fathers voted. To vote for John Alderdice's Alliance Party seems to them a waste. When you ask for their view of a particular atrocity, they express outrage and dismay but are slightly angrier if it was committed by "one of theirs". Northern Irish politicians run a closed shop and have succeeded in excluding men and women who could lead these detached people, teach them about their responsibilities, and make intelligent contributions to the search for peace.

ADRIAN K HALL
London W11

Sir: To a nationalist the most frightening and depressing aspect of the Drummerey saga was the vitriolic outburst of tribalism from every fellow nationalist I have spoken to or heard in the past week.

In an instant our civilised veneer cracked. From every politician and church leader, from every TV, radio and newspaper commentator, from every phone-in and chat show, from every workplace and pub conversation, poured all the old tribal clichés. All the defeats, wounds, hurts and humiliations suffered by our tribe were rehashed with relish. All our myths, misapprehensions, fears, bitterness and hatred of the Unionist/British tribe were superbly articulated.

The voices could have been Serb in Hutu, Croat or Zulu. There was enough rhetoric in the past week to sustain and justify our tribal warriors (IRA, INLA) in waging war on our tribal enemies for at least another 25 years.

I wonder if we nationalists will ever come to terms with the fact that the tribal demographics on this island irreversibly changed 300 years ago. Can we accept that the minority Unionist tribe are here to stay and have an absolute right to self-determination (that is, to remain separate from us)? If we can, the whole vista changes, and only then can there be any hope of peace on this island.

DICK KEANE
Glenageary, Co Dublin

Sir: A former member of the Alliance Party, I resigned my membership, not through any disillusionment with the party, but with the people of Northern Ireland. Over the years, canvassing door-to-door, the majority of people we spoke to were "moderates", the so-called "silent majority" – at least that was until election day, when they promptly ran back to their respective camps.

I feel tempted to say "a plague on both your houses" and leave Northern Ireland – but I won't. This is my home, my family are here, and my memories are here and anywhere else I would be a



A drunkard's dream or the horrors of alcohol

stranger. So, later today I will phone Alliance Party headquarters and rejoin the party. Once again I will try to help find a middle ground. That is the only hope any of us has left.

ANGELA WATSON
Lisburn, Co Antrim

Sir: Am I alone in being ashamed to be a man? The current childlike squabbling in Northern Ireland, where men are behaving like little boys, leaves me despairing. When will men learn the new skills required – of listening, of tolerance of change? What do women think of us?

PAUL WHEATCROFT
Bristol

Moving house without pain

Sir: A friend of mine moving from one academic post to another finds herself in a position where the completion date on buying is a month earlier than that on selling, leaving her to take out a bridging loan which will cost £250 to arrange and £1,000 in interest.

Why should it be so expensive to move, and who benefits from the present system? It is the result of the refusal of estate agents to carry their own stock of houses like any other shopkeeper.

There is one way out: it is that local authorities be permitted or compelled to take over all properties at reasonable rates for re-sale, letting or any other appropriate purpose. Since their income depends on council tax, they would have every incentive to offer a good price and sell on quickly.

GRAHAM M LOMAS
Purley, Surrey

London has too many answers

Sir: Discussion of London's government is producing widely diverging views. Some want a lean and mean executive body with limited "strategic" functions set above the boroughs. Some want an authority for south-east England. An elected mayor is mentioned – a governor even. Others want to scrap the boroughs and restore "local" councils.

Arguing for a fresh start, Andreas Whittam Smith poses the right question, in relation to the current ferment of ideas about the future of London – "How is the connection to be made between ideas and action?" And while Labour's elected strategic city-regional assembly is essential, it will not be sufficient to mobilise local enthusiasm.

We argue that directly-elected neighbourhood councils should be introduced into London, building on the experience of community councils elsewhere. Each neighbourhood council would be the guardian of its own physical environment, and be responsible direct to Labour's new London regional authority: the boroughs would remain the sole service-providers. The neighbourhood councils would decide planning applications (within the framework of a Greater London plan) take over cleansing, recycling and certain anti-pollution controls, preservation orders and conservation areas, local traffic management, and a key role in the administration of local amenities.

We estimate that there would be over 1,000 such neighbourhood councils in London, giving some 30,000 Londoners the opportunity to participate directly in the governance of their great city, part of a movement of 250,000 neighbourhood councillors nationwide. That, coupled with new strategic regional assemblies, would create "the connection between ideas and action".

ROGER WARREN EVANS
Director, City Region Campaign
London N1

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We estimate that there would be

Italian way to live with bikes

Sir: Three days ago, I was sitting in a café in Tuscany, watching the morning progress. In the three yards between my table and the lady selling flowers, there was a steady flow of pedestrians, cyclists and mopeds. There was no pavement edge, no bollards, and people just weaved around one another, with barely a cross word or an angry glance.

The law about cycling in Italy is silly, and should be scrapped. It cannot ever reasonably be enforced. What we need is a change of attitude that rejoices in other people going about their business, rather than condemns imagined slights.

RICHARD MANN
Oxford Friends of the Earth

Sir: I would like to reassure Christopher Padley (letter, 16 July) that training for young cyclists is alive and well. Local authority road safety officers throughout the country organise training programmes through schools, and in most areas the training actually takes place "on the road".

The recent announcement by the Government of its cycling strategy should further enhance the status of cycling and ultimately lead to the situation where cyclists no longer feel so threatened by other road users that they have to resort to riding on the pavement.

DAVID LINDSAY
Local Authority Road Safety Officers' Association
Northallerton, North Yorkshire

Sir: Dr Salah Ezz (letter, 15 July) may be correct to claim that the UN-imposed arms embargo on the states of the former Yugoslavia "tied the victims' hands". However the question is that those who opposed the arms embargo have not answered what influence it had on the ability of the Bosnian Serbs to acquire weapons and other military supplies.

It is frequently claimed that the Pal regime had unlimited access to the supplies and stores of the old Yugoslav People's Army (JNA) but so far this remains unproven. Why did Mladic's men so frequently seize UN military equipment and remove their heavy weapons from UN storage sites if they had full access to JNA supplies? This suggests that the arms embargo helped to weaken the military effort of the Bosnian Serbs.

It may be that the forthcoming case brought by the Bosnian government at the World Court in The Hague will provide new information on this matter.

MALCOLM HARPER
Director, United Nations Association
London SW1

Royal example

Sir: Jennifer Miller ("Royal adulterers and the church", Letters, 16 July) invokes Stuart and Georgian history, but disregards the excellent examples of Queen Victoria, George V, George VI and our present Queen, which it would be wiser for Prince Charles to follow.

JIM MACKAY
Biggar, Lanarkshire

Fight for World Service culture

Sir: The crunch will come for the BBC's World Service when someone, journalist or accountant, decides that BBC News and Current Affairs and the World Service do not need separate staffs in overseas bureaux, which currently share offices but not people.

Your report "Birt stands firm against World Service backlash" (16 July) does not refer to the essential role of newsgathering in any reorganisation.

I joined the fledgling BBC World Service TV News as managing editor in December 1990 after 20 years, most of them at senior level, in domestic BBC TV News. My boss, the other part of the staff of two, had spent a similar amount of time in World Service Radio. The cultural difference staggered me.

My general approach, which is still that of domestic news, was that if Birt were involved in a foreign story outside Europe, it was an important story. Otherwise, it had to fight its way into programmes obsessed by domestic politics, crime and sport. I quickly learned that the conflict in Northern Ireland was to World Service only one of many examples of civil strife throughout the world.

Unless World Service retains its own bureaux alongside those of domestic TV news, setting their own agenda, sending their own correspondents, crews and producers to cover stories which have global significance rather than reflecting a British interest, the values and importance of the World Service will be lost, and it will be a grave loss.

The BBC is neither better nor worse than it ever was. It is merely different, reflecting a changing world. But values like editorial independence and integrity must remain at the heart of its existence as an international broadcaster.

JOHN EXELBY
Managing Editor
BBC World Service TV News
1990-1993
Lechlade,
Gloucestershire

Workers' lives put at risk

Sir: So, John Major wants another opt-out (report, 11 July). He says British workers want to put their lives at risk by working long hours.

The Health and Safety Executive guide *Working Hours* is clear: "Major increases in the working day (or night) of the individual, especially where breaks are inadequate, can result in fatigue and loss of concentration. This increases the risks of accidents."

The proposed opt-out from European-based health and safety law is consistent with the continual attempts by the Government to reduce health and safety standards.

They have cut resources to the Health and Safety Executive for the next two years, abolished the workplace safety representatives' training grant, and they are still hunting around desperately to get someone in industry to complain about health and safety law. Opinion is now being sought in a series of Department of Trade and Industry seminars on deregulation.

STEVE PICKERING
Deputy General Secretary
GMB
London W79

The Treasury should do its thinking out loud

Let's suppose, for a fantastic moment, that copies of the Treasury document leaked yesterday had instead been advertised as a discussion paper, put on sale at £5 apiece at every WH Smith and then debated at public meetings throughout the country.

Controversial? Certainly. You can scarcely contemplate the prospect of Britain's total GDP falling below that of Brazil without provoking deep thought about Britain's place in Europe and the global economy. Bold? You bet.

To provoke a national debate on whether pensions and unemployment benefit should be privatised so that taxes can be cut, or whether charges should be imposed for post-16 education, or the roads should be sold off as utilities, seems an unthinkable daring step. But politically suicidal? Not necessarily. Most people fear – and others hope – that at least some ministers are already discussing such ideas in private. To

ventilate them in a mature democracy ought not to provoke riots.

This is no doubt an absurdly Utopian argument. But it's worth making to illustrate an important point – that nothing aggravates like a leak. Secrecy is wonderfully cosy for governments – as long as it works. As it is, the Government was yesterday engulfed in a full-scale row.

We have been here before, exactly 14 years ago. In July of 1982 a spookily similar report, from the Central Policy Review Staff, was leaked to the *Economist*. It surfaced at the same stage of the electoral cycle and just like now, on the eve of what promised to be a hard-fought pre-election spending round.

As Margaret Thatcher would later say, it too had an "excessively gloomy" prognosis for Britain's long-term economic prospects. It too

canvassed some potentially explosive options like wholesale private health insurance, full-cost charges for education and the long-term freezing of social security benefits.

Geoffrey Howe, then Chancellor,

was forced to go much further than he would have liked in denying that he intended to dismantle the welfare state. And Mrs Thatcher, whose idea of damage limitation was to shut down the CPRS, was obliged to issue her famous pledge at that year's party conference that the NHS was safe in her hands. The accusation that the Tories had a hidden agenda dogged them up to polling day and beyond.

There were also differences between the CPRS document and yesterday's leak. The CPRS report was commissioned by Howe, although he subsequently regretted it. The current document was pro-

duced by civil servants for civil servants, and was part of a brain-storming management exercise devised by Sir Terry Burns, the Treasury's senior Permanent Secretary, on what his department's functions and size might be in the next century.

There are already signs of ministerial sucking of teeth over Sir Terry's wisdom in allowing an exercise to cover such sensitive political issues, let alone be committed to paper. And while the document

may have been written by "kids" as Mr Clarke magisterially put it yesterday, it was discussed by the distinctly grown-up Treasury Management Board.

It also looks as if the "kids" spent

quite a lot of time interviewing more senior members of the Treasury when compiling the document. Treasury ministers genuinely appear not to have had a hand in it, least of all the Chancellor himself. After all, Clarke is self-confessedly an enemy of what he contemptuously and habitually calls "Reaganomics".

This poses the question about how far officials should be allowed to operate a parallel government, away from the eyes of elected ministers.

Ministers, however, are not immune to the political damage. As it happens, the document also can-

vassed some quite left-wing ideas,

such as green budgets and more autonomy for local authorities. But by giving such prominence to a Gingrichite state-shrinking agenda, it touched on objectives which some Tories on the right of the Cabinet would like to realise, as John Redwood, freed from the constraints of collective Cabinet responsibility, unhelpfully pointed out yesterday.

The real problem is the endemic secrecy, dishonesty even, within much of the political class. You can talk to serving right-wing ministers who will tell you they would much rather not face the dangers of spelling out their plans for the welfare state in anything so public as an election manifesto.

Those ministers jockeying for

position in the post-Major era by proposing that state spending should be reduced to well below the target 40 per cent of GDP become lame-duck in its manifesto.

After the CPRS affair Howe

lamented that trying to discuss sacred cows such as welfare "underlined the problems of democracy".

The real lesson is quite different:

politicians who want to attack the

sacred cows and are afraid to do so publicly deserve to lose the argument. The events of the last 24 hours make a case for more open govern-

ment, not for less.



DONALD MACINTYRE

Abortion: why we must think again

Women now have complete freedom to choose whether to continue a pregnancy. But society should not tolerate the consequences

Partial birth abortion involves withdrawing the foetus until only the head remains inside, then piercing the skull and sucking the brains out until the head collapses. It is routinely used in America, but it is not known how often it happens in this country. A recent Parliamentary question from David Alton failed to elicit a figure from the Department of Health. Meanwhile, more than 50 MPs have signed an Early Day Motion, promoted by the Tory Elizabeth Peacock, attacking the practice.

Of course, the more familiar suction method of abortion – in which the foetus emerges in pieces which have to be counted to ensure nothing has been left behind – might be said to be just as horrific as partial birth. Either way a human body is butchered by the doctors.

So maybe Mrs Peacock's motion is irrelevant to the abortion debate. The details of abortion are always going to be nasty and they only add an emotional layer to an ethical argument already clouded, especially in the US, by irrational and occasionally lethal outbursts. Pro-lifers in this country are not so fierce and, as a result, most people probably think the abortion debate is an issue of the past.

This is a big mistake. The real abortion debate has yet to begin. It is now almost 30 years since abortion was legalised and things have gone badly wrong.

There are now 184,000 terminations annually in this country and 98 per cent of them are done for social reasons. Abortion is in effect available on demand – something that was specifically not intended by

Parliament – and even the clause that allowed a social justification was added only as an afterthought during the bill's progress. Furthermore, subsequent legislation, although reducing the legal limit on foetal age from 28 to 24 weeks, also made later abortions legal in cases of handicap. But, since handicap was not defined, almost any disorder, however

– that strongly suggests that the foetus feels the pain of abortion. This raises a serious moral challenge to pro-choicers. It means, if true, that the foetus is not a mere piece of the mother, but a sentient being. The element of innocent pain enters the abortion calculus.

Secondly, we are at the start of an era in which there will be more reasons than ever to abort. The expanding science of genetics is transforming our ability to diagnose pre-natally. Assuming, as is likely, cheap and safe methods of isolating foetal cells are found, then, by reading the DNA, we shall soon be able to provide a bewildering array of forecasts about our child's future.

We can already know, for example, if the foetus carries any of the 4,000 rare but often disastrous single-gene disorders, such as cystic fibrosis, muscular dystrophy or Huntington's chorea. The next stage – on which billions of pounds of research funds are being spent – is to identify the genes involved in the more common polygenic disorders. These may include heart disease, cancer, schizophrenia and manic depression. And they may also include conditions we might not regard as disorders at all – a predisposition to homosexuality, shortness or even a tendency to criminal behaviour.

Huge problems arise with these kind of diagnoses. They will often, for example, be presented in statistical terms – your child has an X per cent chance of being schizophrenic or having a heart attack by the age of 40. Do you abort and try for something better? They will also create a new category of illness, in which people who are perfectly healthy at the moment

might be considered to be diseased because of their genetic make-up. But the most serious problem is that the only treatment doctors can offer for most genetic disorders is abortion.

Pre-natal testing is all about prevention. Geneticists may argue that knowing you are predisposed to heart disease gives you vital information which will encourage you to modify your lifestyle. But such testing can be done after birth. Testing before birth is just a way of leaving the abortion option open.

This will continue to be the case for the foreseeable future.

In spite of the deluge of stories about scientists finding the genes for disease or behavioural abnormalities – happiness was the latest – the reality is that there is, as yet, no sure route from the gene to treatment. Nobody can yet be said with certainty to have been cured by gene therapy and devising new drugs on the basis of genetic insights is a slow process that will not necessarily be successful. Furthermore, there is intense controversy over whether genes are the whole story. The idea of genes "for" something may yet prove

far too simple an approach to have any medical relevance.

The one certainty is that prenatal testing and genetic information will increase rapidly in the next decade and the one sure treatment – abortion – will ever more frequently be applied. The handicap clause on our legislation may be invoked not just to cover muscular dystrophy but also predisposition to heart disease or even potential for criminality. By then it should be absolutely clear that our legal framework is largely meaningless.

Of course, hard pro-choicers



To the centre of life: the insight provided by genetics has given us more reasons than ever to abort.

Photograph: Petit Format/Nestle/Science Photo Library

by while an avalanche of technology, much based on highly speculative science, promotes fundamental changes in our social structures. Mrs Peacock is right to try and stimulate the "yuk" response in her fellow MPs. Abortion is the issue of the future, not the past.

that tampering, as a subject, strikes me as being about as interesting as boiler maintenance only without the you, you frisbee of danger. And the court case in which Imran Khan, Ian Botham and Allan Lamb are embroiled is, of course, more about snobbery and bitchiness than the ethics of unscheduled mid-over seam-adjustment; but the actual mechanics of it do puzzle me. Over the years I've watched the likes of Bob Willis and Jeff Thomson striding off to start their run-up and franticly rubbing the ball on their flannelled groins (usually accompanied by a Radio 3 voice murmuring, "I'll be interested to see if he can pull off one of his googlies") and I've concluded that a shiny-smooth surface must make the leathery orb bounce in some significant way that will fool the batsman.

Now, all the subtlety seems to have gone out of it. Imran Khan, I read, "admitted in a biography that he had once used a bottle top in 1981 when he was playing for Sussex". Sheesh. You mean to be bowled the bottle-top overarm? Obviously not. I could only conclude that Mr Khan had somehow attached the bottle-top to the ball (Sellotape? Pritt?) in the hope of weighing it down on one side – but surely risking detection by even the blindest of umpires. The cunning devil (unless that's a deadly insult in Hyderabad). And will every other ball sport now yip up its tampering secrets? Will we find Dave Seaman rubbing a football on his groin to alter its wind resistance? Will Tim Henman risk the obloquy of his peers by sneakily attaching lead weights to one side of his yellow Slazenger balls as he serves for the match?

Conversations of Our Time. The most recent in this occasional series was overheard at the Masters of Music gig in Hyde Park a couple of weekends ago. A whole snorting gallery of rock luminaries from Gary Glitter to Bob Dylan was crammed into the

THURSDAY DIARY

John Walsh

Bowlers with bottle and the cunning devils who take a shine to ball-tampering...

backstage tent, waiting to have their photograph taken for *Hello* magazine. Also there was the Prince of Wales, in understandably fun-loving, about-to-get-divorced-yippies-must-buy-a-Lamborghini mode. The Prince meets cool, rugged guitar hero David Gilmour who has been contributing several bars (and a drive-on stage role) to The Who's rock opera, *Quadrophenia*.

The Prince (regarding Gilmour's burly frame): "However did you fit inside that bellboy suit?"

Gilmour: "Actually it was the bus driver."

The P: "Ah yes. And who are you again?"

DG: "David Gilmour. I have this little band called Pink Floyd..."

The P (muses for several seconds): "Mmmmm. Oh yes. Nick Mason. He's an architect as well, isn't he?"

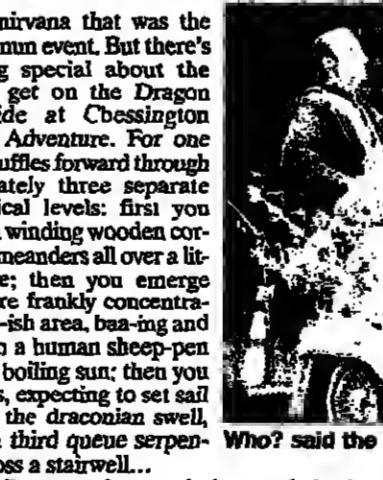
DG (shortly): "He's my drummer."

The P: "But a bit of an architect on the side, surely?"

DG: "Yes but, since he never finished his course [at Cambridge] there's no danger of him putting up any monstrous carbuncles..."

End of chat. But why, I hear you ask, would the newly-single Prince Charles happen to know Nick Mason from a hole in the wall? Simple – Mr Mason bought Andrew and Camilla Parker-Bowles' gorgeous house when the couple agreed to separate. I expect he and the Prince have had many lively discussions about softies, archtravies and those hard-to-remove marks on the hall carpet.

When it comes to queuing, I've done my time. I've been there. I've queued for hours in Red Square to gawp at Lenin's embalmed form in the Mausoleum, I've stood in the all-Sunday afternoon line for the Renoir exhibition at the Hayward in 1990, at the heart-breaking two-hour Ikea checkout, the all-time



Who? said the Prince

queuers' nirvana that was the Tutankhamun event. But there's something special about the queue to get on the Dragon River Ride at Chessington World of Adventure. For one thing, it shuffles forward through approximately three separate geographical levels: first you queue in a winding wooden corridor that meanders all over a little hillside; then you emerge into a more frantic concentration-camp-ish area, baa-ing and meowing in a human sheep-pen under the boating sun; then you go indoors, expecting to set sail at last on the draconian swell, and find a third queue serpentine across a stairwell... What strikes you, of course, is the correlation between the queuing time and the actual experience time. You wait 45 minutes for a ride lasting 4 mins 5 secs. At the other end of the complex a horde of lost souls queue to get on the Vampire, a stunning roller-coaster with dangling black carriages like bats: it takes 1 hour 10 mins to get on a ride of 2 mins 11 secs. Elsewhere at Alton Towers, I understand, the Nemesis ride – all dangling arms and legs and near-fatal vertigo – lasts exactly 45 seconds and you have to queue over a weekend with ambulance helicopters and trauma counsellors standing by. If this goes on, some of us will spend half a lifetime waiting for a spectacular, if wholly unsophisticated, physical experience lasting just a few seconds. The sexual analogy is regrettable but, I'm afraid, inescapable.

My Irish brother-in-law was in town this week, bearing weird tales from the non-political end of the republic. My favourite concerns a family in Charleville, Co Cork, whose elderly father was a chronic despiser of new-fangled inventions, from organic farming to cattle prods, and was always on the *qui vive* for signs of danger in the modern world. One day, his eldest son was gathering a herd of cattle into the milking shed. After a long day in the fields, he had acquired a stune in his gumbboot and, as he entered the shed, the son grasped the metal door-jamb with one hand and tried to shake the offending stone down to the toe of his boot. His father, working nearby, saw this affecting tableau and instantly concluded that his son was in the throes of electrocution. Knowing the importance of breaking the electrical circuit, the old man rushed over, seized a shovel and brought it down hard where his son's hand clutched the door. Later, in hospital, they agreed that a compound-fractured wrist was a small price to pay for the eternal vigilance of a loving father.

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24 CARAT SMOOTHNESS

Governor opposed Chancellor's interest rate cut

PETER RODGERS
 Financial Editor

Eddie George, the Governor of the Bank of England, opposed the quarter point cut in interest rates last month, minutes of his meeting with the Chancellor showed yesterday.

As a fall in earnings inflation appeared to back the decision to cut rates, Kenneth Clarke, the Chancellor, played down differences with Mr George, saying both of them were

"extremely strongly committed" to curbing inflation.

"I think the inflation record that I quoted, our best for 50 years, shows that the Ken and Eddie Show is a very successful team performance," Mr Clarke said in a parliamentary debate yesterday.

He added: "Six weeks ago the Governor and I differed by just one quarter per cent. The Chancellor agrees that by any standards it is a narrow debate."

The minutes of the monetary

meeting on 5 June say Mr George took the view that if rates were reduced now, in order to guard against the risk of activity in the short term which then failed to materialise, then this would simply exacerbate the potential inflation pressure further ahead by adding to domestic demand which already on the evidence currently available - looked set to accelerate.

The Bank's advice was to leave interest rates unchanged for the time being, and that was

what financial markets expected the minutes added. A number of analysts said yesterday they now believed Mr Clarke would shave at least another quarter point off the current base rate of 3.75 per cent.

The June meeting was the first at which the Governor had opposed a cut in interest rates by Mr Clarke, though they had had an argument about the direction of rates before.

In May 1995 Mr George urged Mr Clarke to raise rates

a half point but was ignored, and by September he conceded that an increase was no longer required.

Mr George came into line with Mr Clarke in December, January and March when he agreed with the Chancellor's three small cuts in base rates.

But since March, Mr George's concerns about the pace of growth and the risk to inflation have been rising, which he has made clear in public both in his quarterly inflation report

and in evidence earlier this week to the Commons Treasury Committee.

The minutes spell this argument out in more detail. The Chancellor maintained that "the further evidence of a lack of cost pressures had improved the outlook for inflation; and he was content that a quarter per cent cut was sufficiently small not to cause any significant inflationary risk while reducing the downside risks to the recovery. If consumer demand

started growing too strongly, and put the inflation target at risk, then rates could be raised when this became evident."

One City view was that the surprise fall in the underlying rate of average earnings growth to 3.5 per cent in May from 3.75 per cent in April could help justify another cut.

Unemployment also fell by 14,300 in June but the jobless rate was unchanged at 7.7 per cent of the workforce.

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Wall St recovery calms markets

TOM STEVENSON
 City Editor

London shares took their lead from Wall Street again yesterday, with the FT-SE 100 index closing 25.9 points higher as Tuesday's frayed nerves were soothed in New York by better-than-expected earnings figures from Intel, the microchip

Much of the volatility earlier in the week had been put down to worries over the health of the technology sector, which has been such a strong driving force behind the bull run of the past two years in America. Good figures from Intel were backed up by better-than-expected results from Ford and GE.

Concerns about earnings drove Nasdaq, the secondary market on which many technology stocks are listed, down 4.5 per cent in the first two days of the week but it recovered ground yesterday, as did the Dow Jones index of 30 leading stocks, which rose 71 points in the first 10 minutes of trading yesterday before settling to more modest gains.

"Intel was a godsend, and it helped turn the Nasdaq around today," said one strategist in New York. "Hopefully we've gotten all the bad news out of the way."

Shares were helped by a second consecutive rise in the US bond market which shrugged off unexpectedly strong house building statistics in June. The market responded to the 1.3 per cent rise in the annual rate of housebuilding no more than a dip in an otherwise slowing picture, focusing instead on a 2.5 per cent decline in housing permits, and held on to the hope that US interest rates could edge lower.

One fund manager believed the stock market's rout in recent days could add to the slowing in the US economy and increase the chance of lower rates. "The public is getting a little taste of what the stock market can do to their perceived net worth."

A full fifth of the rise in the FT-SE 100 index was accounted for by rises in BAT, up 13p to 498p, and BP, up 7.5p to 592.5p, as investors looked for value among shares hit hardest by the gyrations on Wall Street earlier in the week. Analysts said a withdrawal of cash from mutual funds would be felt most by British stocks with heavy US shareholdings, such as the oil companies, drug stocks and conglomerates such as Hanson.

The UK market was also supported by smaller-than-expected rises in average earnings in June, although the benefit was offset by the issue of minutes of the June meeting between Kenneth Clarke and Eddie George, showing disagreement between the Chancellor and Governor of the Bank of England on the wisdom of cutting interest rates. Analysts believe the difference of opinion made a further cut in the short term extremely unlikely.

Time Warner merger approved

DAVID USBORNE
 New York

After weeks of nervous delay, the mega-merger between Time Warner and Turner Broadcasting to create the world's largest media giant, surpassing even the Disney Company, is set to be formally approved by United States regulators.

Time Warner announced that staff members of the Federal Trade Commission, who had been holding up final consummation of the \$7.5bn (£4.9bn) deal, had raised the issue of antitrust concerns.

The announcement came at the end of weeks of tense negotiations between the companies and the FTC regulators over concerns that the merger would lead to an unacceptable restriction of competition in the industry and notably inside the cable television sector.

The close scrutiny by the FTC had raised the spectre of the merger becoming unravelled. Such an outcome would have been a tremendous setback, especially for Mr Levin and Ted Turner themselves.

Most analysts had stuck to their belief that in time the FTC would

stand back and allow the merger to happen. It is likely now to be finalised in September.

"It came sooner than I thought we were anticipating given the complexity of the deal and the parties involved," commented Jill Krutick, an entertainment analyst at Smith Barney in New York.

The principle focus of the FTC inquiry concerned the future role of telecommunications Inc (TCI), the largest cable operator in the United States. The Colorado-based TCI, whose outspoken chief executive is John Malone, currently has a 21 per cent holding in Turner Broadcasting and will emerge from the merger with a 9 per cent stake in the new Time Warner.

Time Warner is the America's second-largest cable operator and owns the Warner Bros film studio, *Time* magazine and *People* as well as its record labels and the HBO cable channel.

The FTC deal will outlaw several concessions that had been offered to TCI, including the opportunity to carry Turner Broadcasting material, including the CNN news channel, at reduced rates. Time Warner will also be forbidden from discriminating against competing cable distribution companies in the supply of content.

Kerkorian wins battle for MGM

PolyGram, the Dutch entertainment giant, yesterday expressed frustration that it had lost out in the drawn-out auction for MGM, the Hollywood studio, which was sold for \$1.3bn (£840m) to billionaires Kirk Kerkorian and a management group led by chief executive Frank Mancuso, writes Matthew Horsman.

"We bid a fair and equitable price," a spokesman said yesterday. "We will continue to look for opportunities."

PolyGram, which had competed against Rupert Murdoch's News Corporation and Holly-

wood producer Morgan Creek to buy the troubled studio, believed it had been on the inside track until the last moment, when Mr Kerkorian made a dramatic eleventh-hour move in back the management bid.

PolyGram, which had been prepared to spend \$1.1bn now intends to continue its search for a fully operational distribution network in the US, to build on its small Gramercy operation and to improve prospects for its extensive line-up of films.

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AEA Tech to be privatised

PETER RODGERS
 Financial Editor

The Government is expected to confirm before the end of the month that the privatisation of AEA Technology is to go ahead later this year, and the company is believed to be on the point of winning its battle for a stock exchange flotation.

Ministers are not thought to have made a final decision yet, but if the company is floated in the autumn it is likely to be valued at about £200m. AEA Technology is the commercial arm of the UK Atomic Energy Authority, and the indirect nuclear link may give ministers food for thought because of the embarrassment of the British Energy flotation, where small investors have lost money this week.

AEA Technology was incorporated as a separate company earlier this year but had already moved away from its nuclear roots to become a science and engineering research and development business. It is based at Harwell in Oxfordshire, where the workforce has been slimmed by a quarter over the last two years in preparation for privatisation.

Last month, the Government appointed Cazenove as brokers to work with merchant bank advisers Schindlers in an auction that a flotation was probable. The specialist financial public relations firm Cignate has also been hired.

The chairman of AEA Technology, Sir Anthony Cleaver, has made no secret of his desire for stock market ownership, and has been pushing for an early decision because of the possibility that an election may undermine the privatisation.

The other option has been a trade sale of the business, to an international contract research or consultancy company, which would have the attraction for the Government of raising the money without the pricing risks involved in a flotation.

A stock market sale would represent the fast privatisation of its kind before the election, and it would also be one of the smallest - as little as a seventh of the size of British Energy on current estimates of AEA Technology's value.

Though the company would be a challenge to value, there have been a number of successful flotations of small science-based businesses in recent years.

Government backs BA-American deal

CHRIS GODSMARK
 Business Correspondent

The Government has given its broad support to the proposed alliance between British Airways and American Airlines despite intense opposition from rival US carriers, the Transport Secretary indicated to MPs last night.

Sir George Young told a Commons transport select committee hearing that the tie-up, which would give BA/AA

around 60 per cent of flights between the UK and US, "could provide the basis for liberalising of arrangements with the US".

The deal, which is being investigated by the Office of Fair Trading also requires anti-trust immunity in the US. This depends on the completion of an open skies agreement between the two governments.

The Transport Secretary said the conclusion of an open skies

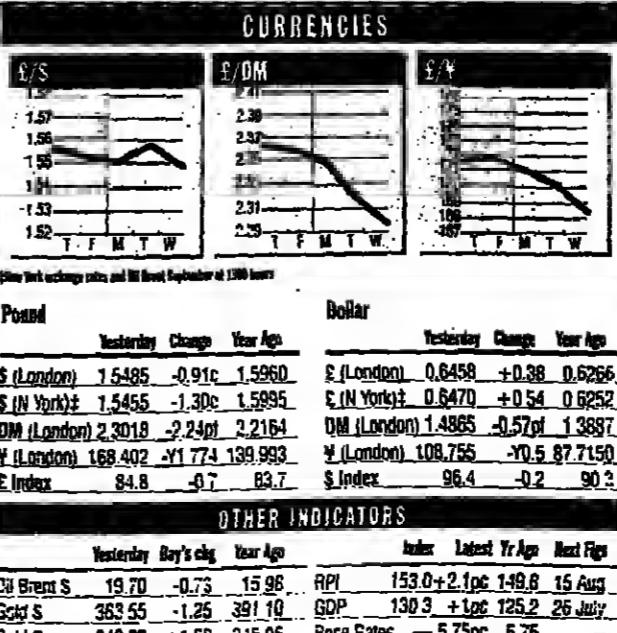
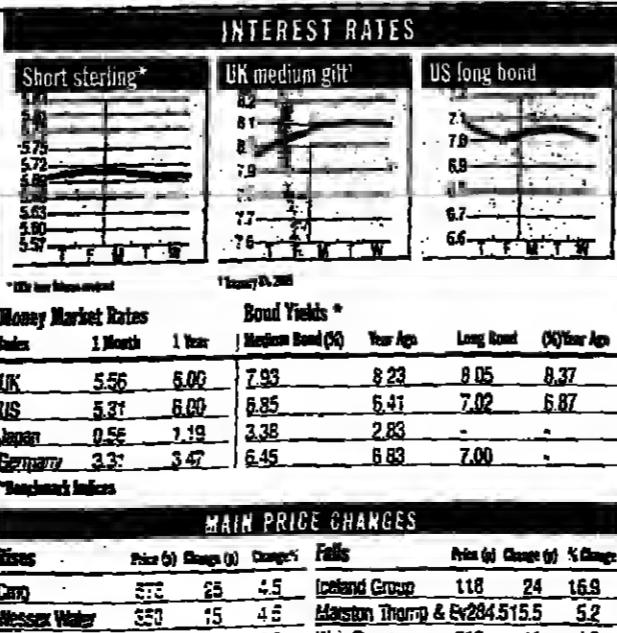
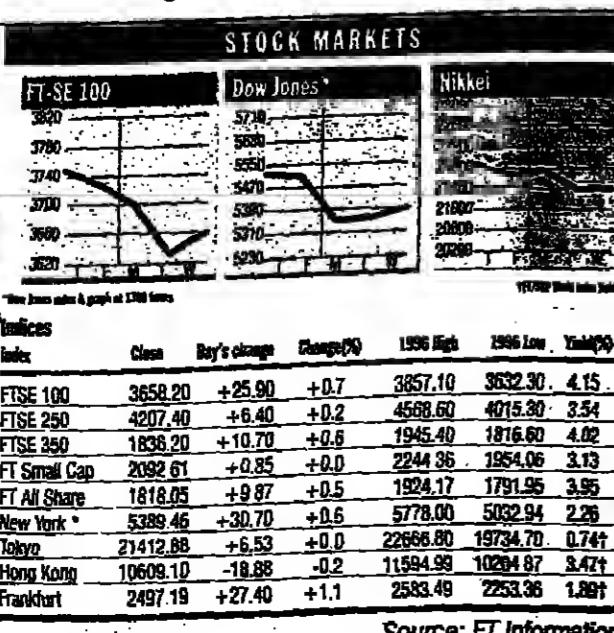
deal would need the establishment of an independent tribunal with the power to stop anti-competitive practices such as predatory pricing.

Sir George's remarks disappointed rival US airlines who gave evidence to the committee on Monday. "I think his emphasis is on BA rather than on American," explained Michael Whitaker, director of international affairs at United Airlines. Earlier, TWA's presi-

dent, Jeffery Erikson, told MPs that the combination of BA and American would have monopoly profits but that TWA would accept the deal if BA/AA divested it of some lucrative slots at Heathrow.

Intensive negotiations between the Department of Transport and US Departments of Justice and Transportation are expected to last several weeks.

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business

Record year strengthens Woolwich against bids

NIC CICUTTI

Woolwich Building Society's defiance against any would-be takeover bidders was strengthened yesterday after it announced a record 29 per cent rise in half-year pre-tax profits to £18.5m.

Analysts said the rise, from £142m in the same period last year, meant that if a predator mounted a bid Woolwich would cost significantly more to buy.

Roh Thomas, building society analyst at UBS, the Swiss banking group, said: "If one assumes that a takeover is based on a multiple of 13-times annual profits after tax, Woolwich may have increased its value by several hundred million pounds."

John Stewart, newly-appointed chief executive at Woolwich, denied, however, that the society had received any formal approaches from likely bidders, including Prudential. He said: "We are on track for conversion and flotation around this time next year."

The society's results were boosted by a doubling of contributions to £25m from its various subsidiary companies, including its unit trust and life businesses and both Spanish and Italian lending operations.

Mr Stewart said: "At the 1995 half-year, [our] subsidiaries had contributed some 5.2 per cent of group profit. This year, for the same period, the figure is 13.5 per cent."

COMPANY RESULTS

	Turnover £	Pre-tax £	EPS	Dividend
HP Bulmer (F)	255m (247m)	27.5m (25.4m)	22.8p (29.9p)	13.2p (12p)
Celebrated Group (F)	5.06m (3.95m)	0.52m (0.32m)	2.25p (2.23p)	0.27p (-)
First Technology (F)	33.8m (32.9m)	7.3m (6.5m)	30.07p (26.46p)	8.5p (-)
Robert H Lowe (F)	13.7m (7.05m)	0.91m (0.68m)	0.68p (0.78p)	0.1p (0.0p)
Medeva (F)	129m (116m)	32.9m (29.8m)	1.2p (0.52p)	1.55p (1.4p)
Media Business (F)	108m (93.1m)	1.23m (0.92m)	0.36p (0.31p)	0.05p (-)
Neha Group (F)	50.2m (40.5m)	2.93m (2.71m)	13.33p (15.25p)	6.2p (6.2p)
Savills (F)	40.0m (35.3m)	4.1m (3.5m)	6.7p (5.6p)	2.0p (2.5p)
David S Smith (F)	1.23m (1.03m)	125m (93.7m)	30.3p (25.2p)	7.5p (6.5p)
Waddington (F)	27.1m (26.3m)	2.01m (1.79m)	5.7p (5.2p)	2.5p (2.2p)

(F) Final (B) Interim

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Young Britain, Caring Britain, Animal Britain, Britain on the Move, Sporting Britain, Good Time Britain, Beautiful Britain, Working Britain and Tomorrow's Britain.

The picture judged best in each category wins an Olympus Mju-1 compact camera.

Medeva on its way out of the woods

THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

Medeva is showing signs of growing up after five years of heady expansion. In April, Bernard Taylor, the former Glaxo chief executive who chaired the pharmaceuticals group during its formative years, bowed out, following in the footsteps of Ian Gowrie-Smith, the group's founder. But Medeva has survived the loss of two key figures and is starting to convince the City that it has a coherent strategy for developing into a serious drugs company.

But yesterday's half-year figures to June show that it is not yet out of the woods. Pre-tax profits rose a healthy 17 per cent to £33.9m, but they remain heavily dependent on methylphenidate, an unbranded treatment heavily used in the US for hyperactive children said to be suffering from attention deficit disorder. Medeva's reliance on a product based on a controlled drug which, over the next year or two, could be subject to competition from up to four rivals, has unnerved the stock market.

There are continuing fears that the powerful Food & Drug Administration in the US could clamp down on what is still a controversial treatment and, despite its 25 per cent sales growth in the first half, the market is clearly slowing down. Analysts expect the growth rate for methylphenidate to decelerate to 5 per cent from 15 per cent in the current year.

Given external estimates that the drug could represent as much as 60 per cent of operating profits, that puts the onus on Medeva's newer drugs. It is the growing conviction that these can take up the running from methylphenidate that is starting to turn sentiment in Medeva's favour.

One of the most exciting is a whooping cough vaccine, codenamed 69Da, which will form part of a SmithKline Beecham triple vaccine. That has just won approval from a crucial FDA committee and one observer expects 69Da to be contributing royalty income of nearly £2bn by 2000. Hepagene, a hepatitis B vaccine, is another product under development with substantial potential, given the 500 million carriers of the disease in Asia alone.

But the best near-term prospects lie with the Rochester New York-based business of Rhone-Poulenc Rorer, acquired for \$370m (£239m) last month. Ionamin, a treatment for the chronically overweight, has the potential to be another methylphenidate. Sales have grown from almost a standing start to \$26m over the past five years and it now sells into a market which has ballooned from \$80m to \$200m over the past 18 months.

Dangers remain for Medeva. Its large generic portfolio is easily attacked by competitors, as the continuing fall in sales of its respiratory and hospital products shows. Its figures will also remain obscured by the £360m of deals done over the past 18 months. But pro-

its before exceptional of just over £100m this year, rising to above £120m next, would put the shares at 234p, up 7p, on a forward multiple of 10 for 1997. Worth holding with the outside chance of a bid adding spice.

New fields boost David S Smith

David S Smith has come a long way in the past five years since new management came into the business and transformed it from a company almost wholly dependent on paper making to a better balanced paper, packaging and office supplies distribution group.

Albert from a low base, sales and profits have soared during that time and the share price, just 120p in August 1992 rose steadily to a high of 332p last summer. Since then, however, it has stagnated as the market looked beyond the rescue phase and questioned where the next stage of growth would come from.

Yesterday the share price closed unchanged at 295p despite a better-than-expected 25 per cent rise in pre-tax profits for the year to April from £99.7m to £124.6m. It was a harsh reaction to a 20 per cent earnings per share increase to 30.3p (25.2p) and a 15 per cent hike in the dividend to 7.5p.

What troubled investors was a

curiously cautious statement from Peter Williams, Smith's Canadian chief executive. Trading, he said, had started well this year but he expected progress from packaging and distribution to be more than outweighed by continuing weakness in the paper operation, which has just navigated one of the choppiest periods for waste paper pricing that anyone in the business can remember.

Analysts took that to be a fairly strong hint that profits this year are unlikely to rise above about £120m, although the range went as high as £130m last night, with up to £145m possible for the year to 1998. At yesterday's close that suggests a fair demand price-earnings ratio of 9.5.

The problem with the shares would appear to be a poor understanding of how Smith has changed over the past few years – it is still essentially rated as a cyclical paper company and little credit is given for the more reliable, better quality earnings from the other two legs.

B2W, which recently did a sum-of-parts valuation of the three operations, thinks a market p/e for both packaging and distribution and a premium valuation for the paper arm to reflect its exposure to the growing recycled-paper market best reflects Smith's true potential, given the 500 million car-

riers behind the sportswear division's annual sales doubling to £17m in that period.

Packaging, however, is where Mr Smith sees the greatest growth potential. It makes up 41 per cent of sales with Nelsons, a Manchester-based labels supplier for the likes of Silentnight and Slumberland, particularly benefiting from the improved housing market. Increased consumer spending in the run-up to an election would obviously help the division.

Lowe is keen to expand further in niche label markets such as cosmetics and toiletries though few good opportunities are left in higher-margin areas such as health care.

House broker Greig Middleton looks for pre-tax profits of £2.1m, implying a p/e ratio of under 12 with shares up 1.5p at 22.5p. Good value.

Firms may have to reveal derivative dealing

ROGER TRAPP

Companies will be required to disclose the extent to which they are using potentially ruinous derivatives and other financial instruments if proposals published by the Accounting Standards Board today are accepted.

The plans, contained in a discussion paper, form half of a concerted attack on a complicated area of accounting. The board is optimistic of being able to introduce a standard on disclosure in a few months. But it acknowledges that producing a standard on the other half of its attack – dealing with measurement and hedge accounting issues – could take several more complex.

Sir David Tweedie, chairman of the ASB, said his body wanted to move urgently on disclosure because companies could be destroyed by making significant use of derivatives and readers of their accounts would know nothing about it.

The proposals are largely consistent with those already required in the US and under international accounting standards.

Financial instruments include non-derivatives, such as loans, bonds and borrowings, and derivatives, such as swaps, forward contracts and options.

Derivatives can cause great problems because they are easily acquired, often at a minimal cost, and their values can change rapidly, as has been seen in such cases as the Orange County bankruptcy and the loss at the German commodities group Metallgesellschaft.

The ASB recommends that the disclosures be included as part of the Operating and Financial Review, rather than published as a separate entity, on the grounds that that would lead to bland statements.

While it has had an encouraging reaction from auditors and users of accounts on disclosure, the board is expecting strong protests over measurement and hedge accounting.

By recommending a current value rather than a historical cost approach, the board is calling for a fundamental change to current practice.

In recognition of this, the board has described the proposals as "tentative" and given interested parties until 31 October to comment.

Gerry Archer, head of audit and accounting at KPMG and chairman of the Institute of Chartered Accountants' audit faculty, confirmed the board's suspicion that practitioners would object to the approach to hedges, saying: "We are not convinced that the problem warrants the radical solution which the ASB suggests."

However, he was supportive of the disclosure proposals, and endorsed the board's view that they should be deemed best practice in this country and adopted voluntarily without delay.

Bulmer beats cider tax

TOM STEVENSON
City Editor

The country's largest cider manufacturer, HP Bulmer, whose brands include Strongbow and Woodpecker, is to cut the strength of its premium brands to avoid a 50 per cent tax surcharge on strong ciders. The new tax, announced at last year's Budget, is due to be imposed in October.

From the beginning of that month Bulmer is planning to sell a version of White Lightning with an alcoholic strength of 7.9 per cent by volume, just under the level at which the excess tax rate kicks in. Thanks to inconsiderate market research, suggesting com-

sumers are unsure whether they want their cider to be powerful or cheap, the company will continue selling its original 8.4 per cent hale at a higher price.

News of the dual branding approach for the year to April 10 per cent higher at £27.5m before a £2.1m exceptional charge. Earnings per share of 32.9p and a dividend of 13.2p rose by a similar margin.

John Rudge, chief executive, said the cider market continued to grow strongly in the UK, with 15 per cent growth overall driven by a 20 per cent increase in the buoyant take-home sector. Bulmer claimed 28 per cent growth for its own off-licence sales and estimated that

its share of the on-trade had risen to 5.5 per cent compared with the 4.3 per cent attributed to the newly combined Gaymer-Taunton operation owned by Matthew Clark.

The two companies now dominate the UK cider market, with Bulmer adding to its share after the year end with the acquisition of Inch's Cider Company in May.

Mr Rudge said Bulmer would not be following Bass and Merrydown into the alcoholic lemonade market despite the impressive success of the drinks and the danger that they would take market share from cider.

Bulmer's shares closed 3p higher last night at 589p.

Challenge Angela: no leaping around, just regulatory structure.

CITY DIARY

JOHN WILLCOCK



Anna Rice: Not to be confused with the Economic Secretary

restival station. Apparently, a significant number of returners hired so far, especially supervisors, have been ex-police and Freemasons.

The former plods know their way around their local areas and can vet new tuners, sifting reliable people from bad. The same apparently goes for the Masons.

A London-based spokesman for the Masons is bemused: "It's the first I've heard of it. How absolutely baffling."

Westminster Health Care had a drinks party last night at its Leicester Square office – but it was not the victory celebration it had expected.

Having suffered defeat in its hostile bid for Goldsborough Healthcare, Westminster and its advisers

Barings and Cazenove had to content themselves with a farewell party for the company's finance director, Kent Phippen, who is returning to the US.

The triumphant Goldsborough had its own victory knees-up at the Savoy the night before. One Shandwick PR man working for Goldsborough was so pleased he phoned Westminster's spin doctors, Financial Dynamics, to preen himself, much to the disuse of FD. "It was intruding on private grief," said one FD operative.

It's an ill wind and all that. As the City braced itself yesterday for another one-day Tube strike, young ladies at underground stations were handing out leaflets with a big black heading: "Notice of Cancellation July 1996."

Thinking this must be news about the strike, most commuters accepted the leaflets. Then they read on: "Legal & General announce that initial charges on all their unit trusts have ceased to exist. L&G apologise to the competition for the inconvenience caused." Hilarious.

Even funnier – ads have gone up inside Tube stations for "customer relations staff". What a time to be starting.

In support of Royal Brompton Hospital, the leading edge in heart research and treatment.

Supported by AMV Group, Beckman Projects, Abbotts, Halifax Building Society, Heart 106.2, Hibson Holdings, London Kensington Hilton, Love this Records, Marks and Spencer, Next.

* Total rate was over one minute and are charged at 25p/min above rate. 40p/min at all other times. All profits will be donated to Royal Brompton Hospital.

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Firms
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'He is living proof
that the winning
strategy is not
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between content
and distribution'

Murdoch gives a lesson in making TV pay

Rupert Murdoch may be due one of his periodic brushes with disaster (on past form, once every seven or so years) but there certainly no signs yet of his slowing down. A day after his \$1.1bn bid for the MGM studio in Hollywood was beaten by the intervention of billionaire financier Kirk Kerkorian, Mr Murdoch calmly offered \$2.5bn worth of News Corp stock to deepen his commitment to US broadcast television, snapping up 10 television stations owned by New World.

Given how well he is doing out of TV in the UK, there are probably some worthwhile lessons in the 'Dirty Digger's latest manouevres across the Atlantic.

The first thing to realise, as Mr Murdoch has long known, is that there is plenty of money still to be made in boring old analogue television. Despite the huge inroads made by satellite and cable in the US, the major networks still represent more than half of all viewing in American homes.

But there is a more subtle lesson. Mr Murdoch is living proof that the winning strategy is not necessarily to make a choice between content and distribution. If done right, controlling both the content (movies and TV programming) and the means of distribution (terrestrial, satellite, cable) can be highly lucrative. In the case of Mr Murdoch's Fox network in the US, he will be now in the position to showcase his programmes across the country, in most of the major markets, thereby increasing the chances of generat-

ing a hit. A hit on terrestrial means syndication profits down the road, through the secondary markets of cable and satellite. With tighter control over his terrestrial distribution network, chances are that other hits will come along.

And to crown it all, Mr Murdoch, who has reached a ground-breaking alliance with Bavarian media mogul Leo Kirch, has found himself another highly talented partner, in the form of Ron Perelman, controlling shareholder of New World. In this company, and with television prospects looking rosy, why on earth does Mr Murdoch keep all those tired newspapers he owns?

Weinberg unlikely to cut much ice

A week which has seen small investors lose their shirts on British Energy is not the obvious time to publish a report examining how private share ownership might best be encouraged. As it happens the timing of the Weinberg Committee's report on this subject is probably academic since its 17 members have laboured long – though not that hard – to produce a gnat.

To give the report its due, the explanation of how and why private investors have grown phenomenally in number while private share ownership has shrunk equally phenomenally by value is comprehensive, as is its analysis of the deterrents to deeper share ownership.

But the ragbag of special pleading, apple pie and motherhood that make up its recommendations are unlikely to cut much ice. Its most tangible proposal – that tax breaks which currently apply to PEPs be extended to direct share ownership – is spurious since it simply widens rather than removes a distortion in the tax system.

The idea, meanwhile, that courses in personal financial awareness should be included in the national curriculum comes from the same school that believes advertising should be allowed in classrooms. The real disservice to private share ownership, as the report acknowledges in passing, is the perception that the market is run for those in the know. This is more than a perception, it is a reality. Small investors experience it every time there is a share buy-back, tax-efficient special dividend or derivatives deal.

Gaining to grips with the enormous privileges and advantages the professionals enjoy might change that reality. But such remedies could hardly have been expected from a committee that was appointed by those same professionals in the shape of the London Stock Exchange itself.

Eddie George's timing may be right this time

There is an old saying that if you have to

forecast a market movement, give the timing or the direction but never both. Eddie

George certainly got his timing wrong last year when he wanted to raise interest rates to head off inflationary risks, and Kenneth Clarke was quite right to insist on overruling the governor's excessive caution.

The minutes of the last Ken and Eddie show when the Chancellor chose to ignore the Governor's advice and cut rates, confirm that Mr Clarke still believes he is on a winning streak. The massed ranks of the Tory backbenchers certainly hope so.

With difficulties piling up on the tax cutting front because of poor public borrowing forecasts, interest rate cuts will be a welcome tonic at the bussing. Realpolitik dictates that they will probably be shaved further.

But over at the Bank of England, a year after getting it so completely wrong, Mr George is singing again from the same puritanical hymn book: this time the message is don't cut rates because the gains outweigh the longer term inflation risks. Mr George may, however, be about to get his timing right in his argument with the Chancellor, if only the cynical might say – because he has been singing a similar song for so long.

Last month was the first time he has disagreed with a cut. He also talking more bluntly about the inflationary risks two years out. There will be a need at some point to reverse the falling trend in rates, he says. Manufacturing is weaker than it should be, many small businesses are finding it hard to grow, and earnings growth showed a surprise fall last month. But consumer spending is

showing every sign of taking off and the housing market is bouncing, a recovery that is bad rather than good news.

The benefit of the doubt in this finely balanced argument between the pessimists and the optimists on rates should at last be given to Mr George – though given the election pressures on Mr Clarke, he will be ignored at least once more.

And the award for the most repugnant public relations stunt of the year goes to Scottish Life International, which stuffed 79 live pigeons into cardboard boxes, left them without food or water overnight, and yesterday sent them to personal finance journalists. No doubt Scottish Life calculated that this little wheeze would attract publicity for the obscure financial product it was promoting. But it probably did not figure on attracting the attention of the RSPCA, which is considering whether there are grounds to prosecute. At the very least heads should roll in its PR agency and marketing department and perhaps at more senior levels. A more satisfactory punishment, however, would be financial retribution. It may be unrealistic to expect Scottish Life's existing policyholders to move elsewhere since by surrendering policies they would only be penalising themselves. But prospective customers should vote with their feet, which was not an option open to Scottish Life's pigeons.

British Gas pays consumer group over complaints

CHRIS GODSMARK
Business Correspondent

British Gas has offered a "six-figure sum" to the Gas Consumers Council to help it cope with a flood of customer complaints that continue to erode the company's battered image.

The Council says it has been swamped with calls from customers who have been unable to get through to British Gas phone lines.

The GCC says it received 9,000 such calls at its offices in May and June alone, which should have been dealt with directly by British Gas.

Ian Powe, director of the council, raised the problem during talks yesterday with the managing director of British Gas Trading, Mike Alexander. Under the company's radical demerger plans, BGT is the subsidiary that sells gas to 1.5 million homes and businesses.

The extra funds, understood to be up to £500,000, will significantly boost the GCC's £3m budget, the bulk of which already comes from British Gas, via the Treasury. The money will pay for a new call centre and additional telephone staff in the Council's 11 over-stretched regional offices.

British Gas refused to elaborate on the size of its offer, which is believed to have been made to the Energy Minister Tim Eggar, but described it as a "goodwill gesture".

It said that "clearly with the advent of competition the workload of the GCC will increase... and it is in everyone's interest that the GCC can extend its monitoring capacity".

BGT blamed the increasing complaints on its 18-month programme to replace computer billing operations. More than 60 separate systems in 12 regions are being merged into a single, huge database at a cost of £150m.

A spokesman said: "With work on that scale you're bound to get teething troubles."

British Gas has almost finished cutting 25,000 jobs from its UK workforce. However, the spokesman denied the GCC's charge that customer service posts had been culled in the re-organisation. He said: "There are as many people working in customer service roles as there were in 1994."

Mr Powe welcomed the extra cash but warned it was only a temporary measure. "The solution lies with British Gas in solving its own difficulties and putting more resources into correcting them."

The news comes on the eve of figures from the GCC which will show an increase of more than 50 per cent in complaints against British Gas in the first half of the year, to record levels.

The complaints are a further embarrassment for British Gas as it prepares for the start of nation-wide domestic competition, due in April 1998. It has already lost more than 10 per cent of residential customers in the trial run of competition in the South-West, which began in May.

Yesterday Swalec became the latest regional electricity company to pile in to the domestic gas supply market, announcing its intention to compete with British Gas when full competition is established.

Swalec said it aimed to cut average bills in South Wales by up to 20 per cent. The company has been selling gas to business customers for four years and chief executive John Roberts said it was set to become a gas supplier for many of its 87,000 domestic customers.

The company also announced the start-up of "Swalec Gas Care" – a breakdown and annual service scheme designed to compete against British Gas's Three Star product.

Shares in Iceland tumbled 24p to a five-year low of 118p after the frozen food specialist said first-half profits would be 10 per cent lower than a year earlier because of sluggish sales and weaker margins.

"The bigger guys are getting bigger and tougher and the small guys are getting squeezed," said Bill Myers of broker Williams de Broe. "It's not an industry where it is good to be small."

Iceland cools Somerfield's flotation hopes

PATRICK TOOHER

Somerfield's hopes of a successful stock market flotation next month received a serious setback yesterday when rival food retailer Iceland issued a profits warning.

The news could not have come at a worse time for Somerfield, Britain's fifth largest food retailer, as it tries to drum up support among institutional investors for its offer, which closes next week.

It hopes to raise between £540m and £570m at an indicative price of 180-190p, at the top end of City expectations. But analysts increasingly believe that Somerfield, headed by David Simons, may have to lower the asking price or even pull the issue altogether.

"The Iceland profits warning has big implications for Somerfield," said Philip Dorgan, retail analyst at Société Générale Strauss-Turnbull. "Pulling the flotation was always a possibility, but that prospect is bigger now.

You have had talk about Tesco launching a rights issue to fund a possible purchase of Docks de France, then dodgy stock market conditions but the Iceland news is by far the most significant."

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"The bigger guys are getting bigger and tougher and the small guys are getting squeezed," said Bill Myers of broker Williams de Broe. "It's not an industry where it is good to be small."



Setback: David Simons may have to pull the Somerfield float, analysts believe

Photograph: Tony Buckingham

The news prompted analysts to cut their pre-tax profit forecasts for the year to about £62m from £73m. But Iceland, which last year promised to give back surplus cash to shareholders, is still expected to raise its dividend by almost a fifth to 6.25p, yielding 6.6 per cent. At its offer price, Somerfield stands on a lower historical yield of between 6.3 per cent and 5.9 per cent.

"Somerfield has been priced against Iceland and Kwik Save," Mr Dorgan continued. "I'd be a big seller at 180p."

To match Iceland's yield, analysts noted that shares in Somerfield would have to be floated at about 170p, valuing the company at £510m.

Falling share prices in London and New York have dent confidence in the new issues

market. Shares in nuclear generator British Energy went to an embarrassing discount this week while Monsoon, the fashion retailer, abandoned its flotation plans last week.

And some analysts, worried about Somerfield's position in the cut-throat food retail market, reckon the company is worth as little as £450m. However, Somerfield denied the

land profits warning would have an impact on potential investors.

Doubts over the float will raise concerns among Somerfield's creditors. Some £192m of flotation proceeds will be paid to the Somerfield holding company to reduce its debt. The remainder will be passed on to the previous holding company, Isoscelis, which is expected to pay its senior creditors in full.

IN BRIEF

• Swalec's chief executive, John Roberts, said the company was set to become a gas supplier for many of its 870,000 domestic customers in South Wales when the gas market was opened up to full competition. Swalec has been selling gas to business customers for four years. The company also announced the start-up of Swalec Gas Care – a breakdown and annual service scheme designed to compete with British Gas's Three Star product. The service will cost £59 a year for the breakdown service and an extra £30 for the annual central heating service.

• Sema, the software group, is paying a total £64.2m for Syntex, the Italian information technology services company owned by Olivetti. Sema also announced a two-for-11 rights issue at 59p, raising £99m. In 1995, Syntex made operating profits of £6.3m from sales of £28.6m.

• Imperial Tobacco Group, owned by Hanson, has acquired Dutch cigar maker Cadena Claassen for an undisclosed sum. Cadena Claassen produces 43 million cigars a year under the Cadena and Cari Uppmann brands as well as private labels.

• ScottishPower, which on Tuesday declared its increased offer for Southern Water unconditional as to acceptances, said elections have been received under the share alternative in respect of 99.7 million new ScottishPower shares. As a result, the maximum number of new ScottishPower shares which may be made available under the rights issue has been reduced from 235.7 million to 161.1 million.

• East Midlands Electricity is cutting the price of supply by 5 per cent from October. It is the second price cut by the regional electricity company this year and takes effect for meter readings from the beginning of this month.

• Metallgesellschaft's supervisory board could meet on Saturday to decide on an out-of-court settlement with the company's former chief executive Heinz Schimmelbusch, a spokesman said. Last year, the company filed a DM25m (£16m) damages suit against Mr Schimmelbusch in connection with oil trading losses that brought the company close to collapse in 1994. German press reports claim that the company has now offered Mr Schimmelbusch almost DM5m by way of a settlement.

• Executives in multinational corporations asked to transfer from one European country to another are most put off by concerns over children's education, dual-career families and quality of life, according to the latest "management moves in Europe" survey by remuneration advisers Monks Partnership.

• Accountants' pay awards in some sectors are running at levels last seen in the late 1980s, according to research from Hay's Accountancy Personnel. The average increase across business, public sector and public practice has risen to 4.1 per cent in the past six months, after slipping from 4.6 per cent to 3.5 per cent in the second half of last year.

• Due to a printing error, the article on tax-cutting policies by Christopher Johnson on Monday said there would be a saving of £1.7bn on servicing the national debt. The figure should have been £7bn.

English China Clays faces serious shake-up

MAGNUS GRIMOND

A large-scale shake-up at English China Clays, the world's biggest producer of minerals for the paper market, was in prospect yesterday after the group warned that continued destocking in the paper industry had hit first half trading.

ECC said it was involved in an "intensive review to address the group's strategy and performance improvement". Analysts warned that this could involve a fundamental restructuring of the business and said a cut in the dividend was a serious possibility as profit forecasts were slashed for the fourth time in as many months.

ECC's shares sank 11p to 243p, the lowest level for over five years, on this latest blow to sentiment. Since the preliminary results were announced in March, Dennis Rediker's first

quarterly volumes were down 11 per cent, when the effects of last year's acquisition of the Gestetner calcium carbonate operation were stripped out.

Margins have been hit in all divisions, with the effects of lower volumes at AmPac exacerbated by product mix and manufacturing efficiency problems. As a result of poor trading, cash flow has fallen from last year and, with higher capital expenditure, net borrowings have climbed from £189m to £213m over the six months to June.

The news prompted analysts to cut forecasts by up to £18m, leaving a wide range of current year expectations from £52m to £69m.

One analyst said the continuing problems of the market were not a great surprise, but added that the company had problems of its own in North America.

European mineral volumes had slipped 16 per cent against the first half of last year, while in the US AmPac business, un-

derlying volumes were down 11 per cent, when the effects of last year's acquisition of the Gestetner calcium carbonate operation were stripped out.

Costain also noted that a recent circular sent to shareholders made it clear that the rescue package was the only way of securing continued support from the banks to continue trading. "Any suggestion of a three-month moratorium is therefore unrealistic," it added.

Costain's chief executive, Alan Lovell, has threatened to put the company into administrative receivership if the proposals are rejected.

Costain said it had received strong support from UK institutional shareholders. Its hopes of securing approval for the deal received a boost on Monday when M&G, which speaks for 7.36 per cent of Costain, came out in support of the deal.

However, the outcome of the vote is likely to hinge on Saudi-based Raymond International, which holds 19 per cent. It has yet to comment about its intentions.

The UK's efficient system for the regulation of takeovers "should not be put at risk with out substantial and clearly identifiable benefits", said the report.

larged share capital to a Malaysian construction group, Intra Berhad. Costain's bankers could be left with up to 35 per cent, depending on the take-up of the three-for-one offer at 50p by existing investors.

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Costain hits back at critics

PATRICK TOOHER

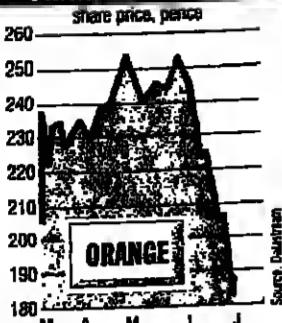
Costain, the troubled construction group, yesterday rejected criticism made by a large Midland shareholder against its controversial refinancing plan and urged investors to vote in favour

market report/shares

DATA BANK

FT-SE 100	3658.2 + 25.9
FT-SE 250	4207.4 + 6.4
FT-SE 350	1836.2 + 10.7
SEAO VOLUME	603m shares,
	30,180 bargains
Gilts Index	92.81 + 0.19

SHARE SPOTLIGHT



Orange and BTR benefit as Footsie regains its poise

AMONG the leaders, Orange, the mobile telephone group where the market future has looked decidedly grey, managed to recover 6p to 188.5p from its low. The shares were floated at 205p in March, touching 253p before starting their descent.

But if blue chips were shortened, second-liners were mugged. After being hit much harder than the leaders in Tuesday's debacle they suffered the mortification of clawing back a mere 6.4 of the 90.6 points surrendered by the supporting 250 index. Second- and third-liners inevitably lag their blue chip peers but this week's display indicates the gap is yawning wider.

Signs unsettled unit trust holders, finding the emotion of the turmoil too much, were cashing in have so far made little impact. Some unit trust managers were said to be anxious to sell but found market conditions producing deals they refused to accept.

Among leaders, Orange, the mobile telephone group where the market future has looked decidedly grey, managed to recover 6p to 188.5p from its low.

The shares were floated at 205p in March, touching 253p before starting their descent.

BTR managed a 7p gain to 239p but Hanson lost a further 3.5p to 157.5p as worries about its merger continued to circulate.

At one time the market talked optimistically of a break-up value outgiving 240p. Fears of huge provisions and possibly uncomfortably large tax bills have helped reduce estimates and erode confidence. Still Hanson continues to bask in a warm glow over National Grid. In April, in a deal where an air of mystery still lingers, it sold its 12.5 per cent Grid stake at 192p, then a 7p dip-

count to the ruling price. Grid is now 169p, up 4p.

Tesco gained 6p to 284p as partly on growing hopes it has abandoned hopes of a French supermarket strike and Next, up 12p to 519p, recovered some lost ground.

In all the excitement Eurotunnel has turned in a surprisingly resilient display, edging ahead a further 0.5p to 107.5p. There is a suspicion French shareholders, who dominate the debt-laden group, are supporting the price in a bid to force the group's bankers into offering shareholders a bigger chunk of the restructured business than they could normally expect.

The shares will suffer heavy dilution in any revamping exercise and so every yardstick are far too high.

Royal Insurance was unchanged at 386p and Sun Alliance 1p firmer at 362p.

Their giant merger has won court approval and becomes effective tomorrow when dealings in the new group are due to start.

The alliance creates a vacancy for a Footsie member. Railtrack, which suffered a near miss when Footsie was reviewed last month, is one candidate to join the exclusive club. It edged ahead 0.5p to 209.5p.

Iceland melted 24p to 118p.

a new 12-month low, after a profits warning. English China Clays, one of Crest's first recruits, also suffered from a cautious statement off 11p to 243p.

An 8.8 per cent reverse in European car sales last month prompted setbacks. Hendys fell 4p to 605p and GKN shaded 4p to 1,025p.

BAA, reflecting the Civil Aviation Authority prices package, rose a further 5p to 496p. SBC Warburg lifted its target price to 540p.

Rainford, an electrical equipment group, surged 67p to 295p and Innovations, the marketing business, rose 15p to 195p on bid approaches.

The astonishing tale of Eanemix, the small and until recently neglected aggregates business, continued as RMC revealed it had lifted its stake to 4.4 per cent. French group Lafarge has bid 52.5p and has 49 per cent and Redland sits on

41 per cent. The shares held at 60p. They were 19p in December.

HTV was firm at 350p. NatWest Securities trimmed its profit forecast 11 per cent to £13.9m but rates the shares.

Pex, the textile group being

reshaped, added 0.5p to 6p on a forecast return to profits.

Hat Pin, a headturner, found the new issue market as fatigued as expected, trading at 65p against the 68p placing.

Alzyme, a biotech company,

arrives today. The issue is

scaled down to accommodate market reluctance. The group

raised £4.5m, placing shares at 60p.

Its debut will, no doubt, be hindered by the apparent flop of British Biotech's £143.4m cash call.

Biotech ended at 1,963p,

falling as soon as the offer closed, against the 2,050p

rights offer.

TAKING STOCK

■ Kennmare Resources has had a volatile time with its shares moving between 2.3p and 49.5p since 1990. They closed 1.5p down at 33p as the company revealed its Mozambique gold operation, discovered more by accident than design, was showing

"widespread evidence of gold mineralisation" representing a possible 300,000 ounces. Other gold possibilities are being examined. It is also closer to Australian giant BHP over its mineral sands development. Kennmare placed nearly 9 million shares at 30.5p to finance its Mozambique venture.

■ Dana Petroleum also raised cash through a placing. It pulled in nearly £4m selling shares at 14p to institutions. The cash is needed for its Siberian oil field. The shares gained 2.25p to 17.25p.

MARKET REPORT

DEREK PAIN

Stock market reporter of the year

Leave moral judgements out of international trade

The Uruguay Round of international trade negotiations, concluded in 1994, leaves an agenda of unresolved issues. One of the most important is how the trade system should deal with labour standards. The US (supported by some European countries, notably France) seeks to restrict access to our markets by countries that have unacceptable policies on issues such as trade union rights, child labour and prisoners' labour.

Although, at first, this looks like a valuable attempt to improve the conditions of some of the most disadvantaged citizens of the world, we should be very cautious about imposing our moral judgements on other countries.

The effects may be the opposite of what we want. We would prefer children in the Indian subcontinent to be in school rather than in sweatshops, but refusing to buy the products of sweatshops is more likely to pitch children on to the streets than into school. Refusing to buy the products of prisoners' labour will make prison conditions worse, not better.

A system which lets us impose our moral judgements on other countries must also help them to impose their judgements on us. I deplore discrimination against women in Saudi Arabia, but I would rather leave that problem for the Saudi people to sort out in their own way than to give the present Saudi government any influence on the economic prospects of my daughters.

Once we put national policies on the international agenda it is very difficult to draw the line. There is a 'moral majority' in the US who feel very strongly that abortion is



ECONOMIC VIEW
ALASDAIR SMITH

evil. They surely see the rights of unborn children as much more important than the rights of workers to join unions. If we put workers' rights on the international agenda, why should others not appeal to the rights of the unborn child, and even seek economic sanctions on countries with liberal abortion laws?

The problems of competing 'rights' are difficult enough in national political systems to cope with. Bringing them into the international economic system is a recipe for sharp and unproductive conflict.

We should be concerned about young children sewing footballs in Pakistan or shirts in Bangladesh.

Refusing to buy products of prisoners' labour will make prison conditions worse

about human rights in China, and about environmental quality in Poland. But political pressures to respond to these problems are much more motivated by our self-interest than by morality.

Ralph Waldo Emerson wrote: "The louder he talked of his honour, the faster we counted the spoons." The louder that politicians talk of the moral case for imposing our standards on others, the more carefully we need to count the economic spoons.

Economic factors are the real source of the political pressures for action on labour standards. The two charts illustrate how labour market conditions have become much tougher for unskilled workers in developed countries.

But trade is not the whole story: even with no changes in international trade, less skilled workers would have a harder time in the world of the word-processor, the computer-driven machine tool and the Internet than in the world of the typewriter, the lathe and the telephone.

The political climate matters too.

Increasing inequality in the US

goes right to the top of the income distribution, and changing social and political attitudes matter more than globalisation in explaining why chief executives' pay has risen faster than that of senior managers.

Even if trade with poor countries

explain a large part of the labour market troubles of the unskilled, it

would not follow that using the world trading system to try to impose higher labour standards on the developing world was a sensible policy response.

Developing countries can let their exchange rates depreciate to compensate for any effects that labour standards have on their international competitiveness. The overall effect on the competitive pressures in our labour markets would be negligible.

To say that labour standards

should be kept out of the international trading system is not to say that increased inequality does not matter, or that nothing can be done about it.

On the contrary, much could be done. The Japanese education system gives serious attention to developing skills across the full

ability range and the Japanese economy has survived the last 15

years with much less labour market disruption than the economies of Europe and North America.

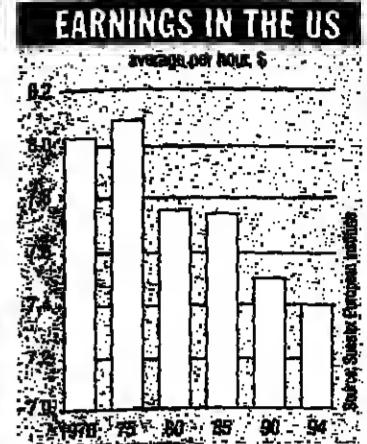
Supporting the income levels of the poor both in and out of work would reduce the poverty trap. But effective measures to reform

the European agenda in a different guise.

The European Commission's 1995 White Paper on the preparation of

the central and eastern European countries for accession to the European Union implies that these

countries should adopt much of the



education and the social security system to tackle the real issues of inequality and social cohesion in our societies would be expensive. Maybe we lack the political will to give tackling inequality a higher priority in public expenditure. But if we are unwilling to impose open taxes to fund an effective attack on inequality and insecurity, we should not instead make the futile gesture of imposing covert taxes on trade and employment in poor countries.

The same issues are on the Eu-

ropean agenda in a different guise. The European Commission's 1995 White Paper on the preparation of

the central and eastern European

countries for accession to the European Union implies that these

countries should adopt much of the

There are good reasons for the UK government to speak out in favour of a more flexible European Union, but one of the unfortunate by-products of the current state of relations between Britain and our European partners is that they have understandably lost interest in hearing the views of the present government on the development of the union.

Alasdair Smith is a Professor of Economics at the University of Sussex and a Research Fellow of the Centre for Economic Policy Research. Regulatory convergence in Europe is discussed by Alasdair Smith and others in 'The European Union and Central and Eastern Europe: Pre-Accession Strategies', Sussex European Institute, Brighton BN1 9QN.

Foreign Exchange Rates

Country	Spot	1 month	3 months	Spot	1 month	3 months	Spot	1 month	3 months	D-Mark
US	154.65	153	151	154.65	153	151	154.65	153	151	154.65
Canada	2.224	1.13	1.05	2.224	1.13	1.05	2.224	1.13	1.05	2.224
Germany	2.308	46.49	46.49	2.308	46.49	46.49	2.308	46.49	46.49	2.308
France	7.978	132.13	132.34	7.978	132.13	132.34	7.978	132.13	132.34	7.978
Italy	2.389	48.43	48.43	2.389	48.43	48.43	2.389	48.43	48.43	2.389
Japan	88.40	75.70	75.25	88.40	75.70	75.25	88.40	75.70	75.25	88.40
ECU	12.227	15.11	14.55	12.227	15.11	14.55	12.227	15.11	14.55	12.227
Belgium	47.440	12.7	14.55	47.440	12.7	14.55	47.440	12.7	14.55	47.440
Denmark	88.773	159.16	144.23	88.773	159.16	144.23	88.773	159.16	144.23	88.773
Netherlands	2.338	85.57	85.57	2.338	85.57	85.57	2.338	85.57	85.57	2.338
Ireland	0.975	7.3	20.14	0.975	7.3	20.14	0.975	7.3	20.14	0.975
Spain	19.480	21.31	19.88	19.480	21.31	19.88	19.480	21.31	19.88	19.480
Sweden	7.028	16.65	16.65	7.028	16.65	16.65	7.028	16.65	16.65	7.028
Australia	19.823	20.31	19.823	19.823	20.31	19.823	19.823	20.31	19.823	19.823
Hong Kong	18.800	101.61	124.07	18.800	101.61	124.07	18.800	101.61	124.07	18.800
Malta	0.502	0.44	0.44	0.502	0.44	0.44	0.502	0.44	0.44	0.502
New Zealand	2.486	43.57	133.165	151.57	30.32	88.20	151.57	30.32	88.20	151.57
Saudi Arabia	5.807	0.0	0.0	3.705	2.7	5.14	2.920	2.7	5.14	2.920
Singapore	2.860	0.0	0.0	14.162	41.30	103.68	14.162	41.30	103.68	14.162

Other Spot Rates

Country	Sterling	Dollar	Country	Sterling	Dollar
Argentina	15.668	0.0687	Nigeria	22.471	0.0100
Austria	1.0392	10.609	Oman	0.9865	1.0361
Bahrain	15.591	10.006	Pakistan	5.5442	3.5248
China	12.874	4.352	Philippines	10.9567	2.6210
Finland	7.007	4.579	Portugal	1.7882	0.9342
France	35.678	6.5600	Qatar	5.5336	3.6412
Greece	15.896	3.5200	Russia	7.9783	5.5610
India	55.4346	5.5200	South Africa	6.0057	4.3540
Ireland	0.4647	0.3000	Taiwan	4.2109	2.7570
Italy	1.028	0.7275	Thailand	2.2244	1.4248
Japan	12.725	1.1227	UK Growth	1.7224	1.2047
Malta	0.502	0.44	United Arab Emirates	1.7224	1.2047
New Zealand	2.486	43.57	United Kingdom	1.7224	1.2047
Saudi Arabia	5.807	0.0	United States	1.7224	1.2047
Singapore	2.860	0.0	Yugoslavia	1.7224	1.2047

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Interest Rates

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sport



Hardcastle holding back sands of time

For those with a long memory there might be a recollection of a little girl, her hair cropped pink-like and dyed red, white and blue standing on the podium to receive swimming medals at the 1984 Olympic Games. You might remember, she cannot. The Los Angeles Games are a blur to Sarah Hardcastle.

The hairstyle she remembers - these things are important to a 15-year-old - but the ceremonies in which she received a silver and a bronze have been wiped from the brain. "I was too young to take it in," she said. "I was unbelievably blasé. Winning Olympic medals seemed a breeze."

At 27, she knows differently. Possibly more than most because Hardcastle, the girl who

believed the Olympics was a doodle became the woman who found swimming an unbearable chore. She retired for six years, missing the Seoul and Barcelona Olympics, and only came back when she realised the delights of being a secretary at Ford Motors, of being normal, were not as glamorous as she had believed.

"When you get there the grass is not always as green as you think," she said. Invited to present prizes at the British trials in 1992, a spark was rekindled and closer examination proved it to be more than a pipedream. "I looked at the times and realised the event had not moved on." She had though, getting married, and her husband, Lee, tipped the balance.

Guy Hodgson meets the British swimmer who has given up the typing pool for another chance to win an Olympic medal

400m and the 400m individual medley, she has a chance.

In all probability, the time that will win gold will not be faster than the 8min 24.77sec she clocked in the Edinburgh Commonwealth Games 10 years ago, her problem is whether the 6ft frame she now possesses can emulate the speed of the person she describes as the "five-foot nothing mutter" that was her former self.

Then she would happily plough through 70 miles a week in her local 25-metre Southend pool. Wiser and more careful in her preparation now, the Sand-

hurst housewife has cut down the distance work.

"When you're older you ap-

preciate how hard you have to work to get what you want,"

she said. "Looking back I suppose I must have worked hard then, too, but it seemed so easy. I was very flippant about everything."

"I train with the emphasis on quality now. Physically I can't do the number of miles I used to do because my body won't take it any more. It's 10 years on and it's like trading a car. I wish I could get a new motor. I need a 10,000-mile service."

When she first returned, her

mind needed returning as well. Years of being at someone's beck and call as a secretary had eroded her chirpy self-confidence and for a spell it appeared that her comeback would be in the same category as those ageing has-beens who become a parody of themselves.

She heard the whispers and went to a hypnotherapist to silence them. A good job appears to have been done, too, because Hardcastle now has an irrepressible energy that would cause envy in a teenager. Some people giggle a lot as a self-defence mechanism, she barely completes a sentence without breaking into one, but here has the genuine ring of enjoyment.

"I may not be a better swim-

mer now than I was," she said. "But I don't feel worse either. In Atlanta people will be looking at the Americans, I'll be a complete outsider. Which is fine. No pressure. There's nothing to lose this time."

Surely she lost that with her self-induced absence during what would have been her peak.

"I'll never regret retiring," she answered firmly. "I wouldn't have met my husband for a start and I think I'd be less happy. If I was born again I wouldn't change very much for sure."

And the streak of non-conformity continues. At Los Angeles it was the haircut, at Atlanta it will be a tattoo of a fish on her right shoulder. "It marked a part of my life," she said. "It was kind of a statement



Hardcastle: Older and wiser because things were changing dramatically. I was just expressing myself."

Just as she expects to express herself in Atlanta. "It's taken me three years to get back to what I'd describe as a good standard. All I'm looking for now is speed. I'll get there." If she does, she will remember the medal ceremony this time.

Why the British will win everything again

Keith Elliott remembers the good old days at the Cotswold Olympicks when drawing blood decided some events

Once again Brits took all the medals at the Olympics. Americans, Germans, Russians and Australians came nowhere. When it came to true Olympic sports such as back-swording, skin-kicking, and spurning the baron, John Foreigner did not get a look in.

Things may be a little different in Atlanta over the coming fortnight. But sports historians will point to the fact that the Modern Games is an upstart event running for a mere 100 years - and only every four years at that - whereas the Cotswold Olympicks dates back to 1612.

Indeed annually on the first weekend after Whitsun on Dover's Hill near Chipping Campden, a picture-postcard village at the north end of the Cotswolds, this is some local festa cashing in on Olympic fervour. Though the feasts performed these days would scarcely be classed as Olympian, this unique event has just as much right (and maybe more) to use the name and the flag.

After all, it was set up with official permission from King James I and has continued through the reigns of 14 monarchs, once attracting crowds of up to 30,000. Some sports, such as coursing, cock-fighting, quarter-staff fencing, vaulting and the ladies' smoke race, no longer take place, but the spirit of Robert Dover lives on.

A burrister, he set up the Games "for training of the youth in manly sports and for the harmless mirth and jollity of the neighbourhood". He must have been quite a guy, for contemporary documents describe him variously as jovial, genorous, mirth-making, ingenious, heroic and noble (eat your heart out, Juan Antonio Samaranch).

Amara Dolorosa, published in 1636, has poems of praise to Dover from such worthies as Ben Jonson and Michael Drayton, while Shakespeare references in *The Merry Wives of Windsor* ("How does your fellow greyhound, sir? I heard he was out-run at Chipping") and the wrestling scene in *As You Like It* almost certainly refer to Dover's Games.

Like the Modern Olympics, the Cotswold version has had a few braks in transmission. It stopped for a while when Dover died in 1652, restarting the Cotswold event. One year almost every stall and tent was le-

'It's difficult to get people to take part in shin-kicking... Other old events like back-swording are exhibitions'

Others continued right through, and are still part of the Games today. One was back-swording, where two fighters had their left arms bound to their thighs and fought with cudgels or wooden swords, the winner being the first to draw blood from his opponent's head.

In shin-kicking, descended from wrestling bouts which were often five or nine-a-side, the idea is to kick at an opponent's shin to knock him off balance. It was often "played" with steel-capped boots and competitions toughened their legs by hitting them with planks or even hammers. Today's effete shin-kickers protect their legs with straw and lack the malice that must have made the sport such a popular spectacle 300 years ago.

What killed the Cotswold Olympicks for a century was not a decline in sporting interest, but rowdy Midlanders. Navvies building the new Worcester to Oxford railway took much of the blame as card sharks, pickpockets and thieves infiltrated the Cotswold event. One year almost every stall and tent was le-

velled and robed. The site became, it was said, "a meeting place of the lowest characters, merely for debauchery... the whole district has become demoralised".

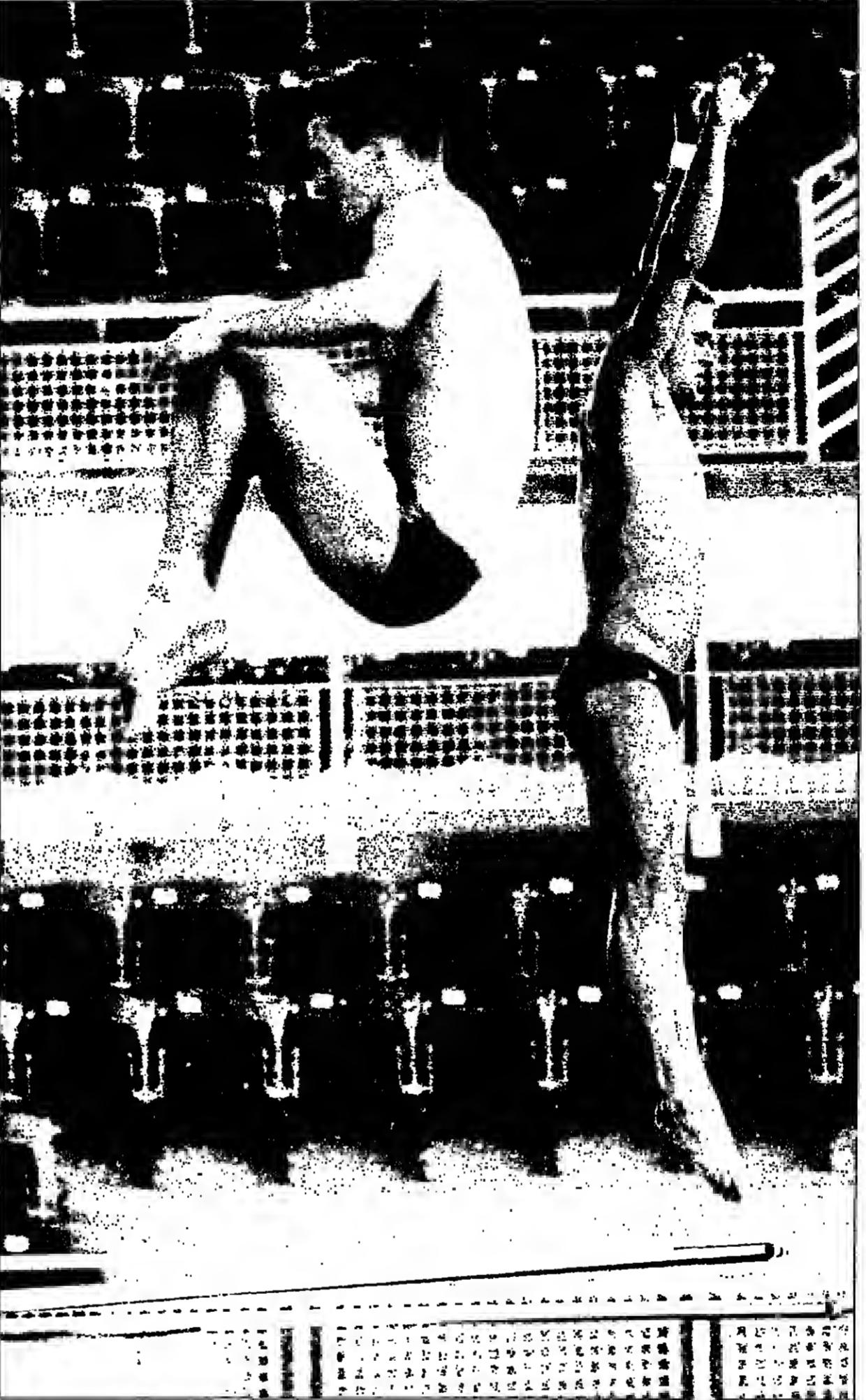
It was revived, without the debauchery, in 1951 as a one-off for the Festival of Britain, and in 1965 the Games itself was brought back. Events such as climbing a pole for a leg of mutton, dipping for oranges and dancing marathons no longer entertain the crowds, but the village committee which organises the event has tried to retain the essence of Dover's vision.

The Games, which takes place on a natural amphitheatre in the 500-acre Dover's Field (now owned by the National Trust) has a Champion of the Hill event which includes a standing long jump, hammer-throwing, spinning the barre (like tossing a caber) and putting the shot. There is also a team event, which is somewhere between *It's a Knockout* and *Tsui Tsui*. Andrew Greenwood, the co-chairman, defends this from accusations that it is frivolous. "We are doing what Dover was doing: entertaining the crowds, but in a modern way."

Greenwood, a local estate agent, added: "It's always difficult to get people to take part in shin-kicking, and some of the other old events such as back-swording are done as exhibition events because we don't actually want to draw blood."

Many other original elements are still there: the recreation of Dover's Castle, sack-racing, jugglers, Morris dancers, puppet shows, clowns and still-walkers. When it all finishes, there is even a torchlight procession carrying the "Olympic flame" into Chipping Campden to start Scuttlebrook Wake, a day-long fair.

Francis Burns, a university lecturer who is Chipping Campden's town crier, wrote a dissertation about the Cotswold Olympicks. Burns, who later produced a booklet on their history, said: "In the long catalogue of British sports and pastimes, there is nothing like these Games for their setting, their continuity, their forms of entertainment, and for the literary responses in them." And, of course, for the fact that the British always win.



Spring time: Divers go through their flight manoeuvres in Olympic practice at the Georgia Aquatic Centre yesterday. The diving competition begins a week tomorrow.

Photograph: David Ashdown

Plenty of possibles but no probables

The last 12 months have been such a roller-coaster for Britain's team that the manager, Neil Adams, might just as well invoke an astrologer to make meaningful predictions about medals in Atlanta. In October last year, the team bombed at the World Championships, with just one bronze from the veteran Sharon Rendle, the former featherweight world champion.

Then, in May at the European Championships in Hague, there was a glut of medals, two gold, two silver and three bronze. So what about the Olympics?

"I am confident that we will produce medals - as we always do in judo - but I can also say honestly that they could come from any member of the team," Adams said.

The problem is the abundance of possibles and the shortage of probables. In Barcelona, there were three, four even five sure-probables in the women's team from

SPORT-BY-SPORT GUIDE

No 11: JUDO

A team of seven: Karen Briggs, Sharon Rendle, Nivald Fairhurst, Diane Bell and Kate Howey. Any one of them could have won that precious Olympic gold that has never come to Britain. In the event, they produced four medals though not one gold. Fairbrother coming closest with a silver.

It is significant, in many ways, that four of those fighters - Karen Briggs has retired - will be in Atlanta and are all still in contention. Yet none, it must be said, are as strong and commanding as they once were.

Can he? **GREAT BRITAIN: SHON RENDLE** (pink belt), J. DAVIS (gold), K. BRIGGS (silver), S. RENDLE (bronze), D. BELL (silver), K. HOWEY (bronze), D. FAIRHURST (silver), K. BRIGGS (bronze). **PHOTOGRAPH: PHILIP NICKSON**

year has been the medal performance of the men. Bantamweight Nigel Donohue, featherweight Julian Davies and lightweight Danny Kingston all won medals at tough international tournaments and confirmed their status by reaching the finals at Barcelona in 1992.

Two British competitors - Andy Sexton and Andrew Davies - had to be withdrawn before the event began after drug tests found traces of clenbuterol, classified as a steroid agent.

Britain did not win a single medal at Barcelona; the best performance came from Peter May, who finished a creditable seventh in the 90-kilogram category. Weightlifting in Britain has been in decline since. Only one Briton, Anthony Arthur (83kg) has qualified for Atlanta, and he was a wild card selection, whereas eight British lifters went to Barcelona.

Although the common perception of weightlifters may be of muscle-bound jocks with more brawn than brains, Arthur, 23, from Manchester, is in the

ATLANTA '96

Battle of a lone Briton

Weightlifting has one of the worst drug abuse records of any Olympic sport, and the British team did nothing to change this at Barcelona in 1992.

Two British competitors - Andy Sexton and Andrew Davies - had to be withdrawn before the event began after drug tests found traces of clenbuterol, classified as a steroid agent.

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Scherbo's willpower faces supreme test

SPORT-BY-SPORT GUIDE

No 12: WEIGHTLIFTING

middle of taking a chemistry PhD. His recent record has shown promise: he was eighth in the European Games in March.

But Arthur is realistic about his chances. "I don't really believe I can win a medal. I hope to be placed in the top 20," he said. "As far as drug abuse is concerned, that's all in the past now. British weightlifting has moved into a drug-free era."

It is 100 years since Britain won its last and only gold medal in the sport, in the one-armed competition in Athens in 1896. Arthur expects his main competition to come from the Russians, Greeks, Turks, Bulgarians and Chinese who, he says, are "all very strong".

GREAT BRITAIN: ANDREW DAVIES (pink belt), J. DAVIS (gold), K. BRIGGS (silver), S. RENDLE (bronze), D. FAIRHURST (silver), K. BRIGGS (bronze). **PHOTOGRAPH: PHILIP NICKSON**

SPORT-BY-SPORT GUIDE

No 13: GYMNASTICS

of Li Xiaoshuang, the Chinese competitor who beat him in last year's World Championships.

While Scherbo is heated and outspoken, Li Xiaoshuang is cool and measured. The mixture should be interesting.

If either falters, Scherbo's Belarus team-mate, the 21-year-old Ivan Ivankov, will profit eagerly.

The favourite for the women's title is the small but determined figure of Lilia Podkopava, Ukraine's world and European champion, who has her own compelling reasons to seek success.

An Olympic title would provide her with enough money to move her mother, siblings and grandparents out of the cramped Donetsk apartment where they all share to somewhere more salubrious. Her biggest ri-

val may be the charismatic and talented 14-year-old from China, Mo Huiyan.

The host nation, energised by memories of their 1984 champion of the boycotted Los Angeles Games, Mary-Lou Retton, will be screeching for further glory. However, their main, much-hyped hope, the 14-year-old Dominique Moceanu, appears to be suffering under the pressure. Moceanu, of Romanian parentage and trained by the Romanian who coached Nadia Comaneci to the 1976 title, Bela Karolyi, is reportedly carrying a stress fracture and may not compete.

Other contenders will include America's 1992 silver medallist Shannon Miller, Svetlana Khorkina of Russia, and the queenly 23-year-old Belarusian, Svetlana Bouginskaya.

GREAT BRITAIN: ANDREW DAVIES (pink belt), J. DAVIS (gold), K. BRIGGS (silver), S. RENDLE (bronze), D. FAIRHURST (silver), K. BRIGGS (bronze). **PHOTOGRAPH: PHILIP NICKSON**

Mike Rowbottom

sport

125th OPEN CHAMPIONSHIP: Walking fairways with the greats inspires county player to start taking it seriously

Putts not pints rule Bladon's life

Richard Edmondson listens to the Amateur champion who has given up his bar job to concentrate on golf

These days, it seems, they play the amateur championships over a course on Brobdinag. Twelve months ago, the winner who earned an exemption for the Open was Gordon Sherry, the 5ft 8in Scot who made the St Andrews stands tremble as he pounded the fairways.

This afternoon another be-hemoth will grapple with Royal Lytham when Warren Bladon carries the flag for the unpaid, but there the connection between our two amateur winners will perish.

Sherry, you will remember, was the articulate biochemistry student from Kilmarnock who had a professional career mapped out with great precision. Bladon, on the other hand, looks like a bloke you might find on the door of a pub, which would not be far wrong. Until recently you could have found him pulling pints in his native Midlands.

After capturing the Amateur Championship at Turnberry six weeks ago, Bladon was meant to return to his post as assistant manager of the Cask and Bottles at Leamington Spa. But he could feel his life taking a significant diversion, and consequently told his employers where they could put their corkscrew.

All this has taken Bladon quite a while. He is 30 and much of his amateur career as a country player with Warwickshire has been characterised by a sense of

talent scorned. Our man is notable for the consistency of his practice sessions. Every time Halley's Comet comes round he can be found on the driving range. Nevertheless, he is a hugely popular figure with his county team-mates, never more so when he suggested one of them should caddie for him both here and at the Masters next spring. The bouquet was caught by Gareth Jenkins.

Life has changed a little now for the man who lives at home with his retired mother and has a job with an engineering company which sounds dangerously close to a sinecure. "I've got time for training now which I've always been dead against," he said. "I've never been a practiser because I didn't like picking my own balls up. But I think I'd better start now because it doesn't seem to do the guys I've seen this week any harm."

When Bladon arrived for his reconnaissance mission in Lancashire this week he noticed two chaps had already pencilled themselves in for a practice round. So he added his name to those of Norman and Price.

Eldrick "Tiger" Woods received his sobriquet as an honour to the Vietnamese soldier who pulled his Green Beret father from a paddy field cracking with the reports of sniper fire. Earl Woods also probably recognised the sponsorship potential of such a name in golf (Jeremy Irons' father tried this technique, but his son was not as good at the sport).

Rich cosmopolitan blood flows through the latter's languid body as he is a blend of black, Thai, Chinese, American Indian and white relatives.

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Bladon has also transported his 6ft 3in, 17-stone frame around Royal Lytham in the company of his American counterpart, the United States amateur champion Tiger Woods.

Woods is now 20, but behaves

Certainly, Woods has not wanted his boy exposed on fields of war and chose instead the more salubrious pastures of the golf course. Tiger started playing the game aged six months, and by the time he was two, he was on national television competing against Bob Hope in a driving and putting competition. At three he shot 48 for nine holes. More recently, he has been the US amateur champion for the past two seasons, pulling through a golfing jungle as stringent as the one his father once survived.

Woods is now 20, but behaves

older. Perhaps the only element of the child in him is his phenomenal capacity for Big Macs, an area in which he is second only to Bluto in consumption. When it comes to hitting a golf ball, however, Tiger is more Popeye.

The Stanford University economics student led the driving statistics in the US Open at Oakland Hills last month and has supplanted John Daly as the man who hurts golf ball's most.

Woods does his clubs no favours either and regularly caves in the face of his drivers.

Such length off the tee can

cause problems for the tiro, as his second shot invariably calls for a half-hit wedge. This problem has been most apparent when Woods plays in the Masters. "There ain't enough golf courses out there for him," Tommy "Burnt Biscuits" Bennett, his caddie at the Augusta National, reported.

Bladon, it must be said, is no slouch with a driver either. At the first hole of his round with Norman, the 206-yard par three, he hit a three-iron to eight feet, inside his playing partners, and holed the putt. On the final hole he propelled his tee

shot 350 yards, and then tidied up with a chip and a putt. "I have always dreamed about that walk between the last stands and birdie at the 18th," he said. "Whatever happens now, and my objective is to make the cut, I've done that."

As he retrieved his ball from the cup, Bladon was slapped on the back by the man he has admired above all in golf. Greg Norman then handed over a £10 note, a Scottish one, his forfeit for defeat. It remains pinned up in the bedroom of Warren Bladon.

Photograph: Robert Hallam

New approach helping Woosnam to walk tall again

Frank Nobilo had made a wise choice in practice partner. "I only needed to come in with a couple of pars," the Kiwi said. "Woosie made all the birdies. Did we take the money? We were four up after six. We won the game, the presses, everything."

Colin Montgomerie and Barry Lane were the men who had to put their hands in their pockets. Ian Woosnam is in a winning mode. He has a confident mood to go with it. The Woosnam Walk was back as he came down the 18th at Carnoustie last week in winning the Scottish Open, and it was there again yesterday in his final practice round for today's 125th Open.

Andy Farrell on the Welshman who has rediscovered his touch just in time to make a serious challenge for the Open

At 3.04 this afternoon, Woosnam goes off with Gary Player, the 1974 champion here, and Corey Pavin, the 1994 US Open champion. It is virtually the only three-star grouping in the entire draw and worth watching for another reason. The feeling is growing that the Welshman, who has a history of winning in successive weeks, is about to raise the silver claret jug for the first time.

Over the last year, Woosnam

has taken to playing practice rounds with Montgomerie because they share the same coach, Bill Ferguson is the man behind Monty's rise to winning the European money list three years in a row and he

preaches a dogma of simplicity. Woosnam's swing was the glorious culmination of the very basics of golf until, having become the Masters champion and world No 1 in 1991, he tried to improve on nature. The alterations eventually resulted in a 1995 season in which he did not win or look like winning for the first time in a decade.

With Ferguson's help, Woosnam rediscovered his top form to win back-to-back tournaments at the beginning of the year. Yesterday, Ferguson's usual working pattern was reversed.

While Woosnam merely needed a quick check-up, Montgomerie kept him on the range for most of the afternoon. For that reason, the Scot refused a visit to the press centre. Woosnam also declined the invitation. He is trying not to say too much. "I'm superconfident," was what he started to say, before settling for: "I'm feeling confident. I'm trying to relax and enjoy myself."

Woosnam is not afraid of word games. "I'm not putting well," is one of his favourites.

A switch in his stance during the

second round last week has helped, as has a device he knocked up at home. It is a putter with a hinge in the shaft. If the shaft does not remain straight in the takeaway, it indicates a lack of rhythm.

Another specialty is: "If I can only sort out my driving." By no stretch of the imagination can someone who wins at Carnoustie, in a howling gale, be driving the ball poorly. He is happy with his iron play, so that must he out of this world.

"He is playing like the Woosie of old," Nobilo said. "When he

gets confident, he is difficult to beat. He is very close to playing as he was when he was No 1 in the world. When he is playing like that, it is beautiful to watch. He is back to having that natural swing of his."

But there is one vital quality which is required to win a major championship, and is the reason Montgomerie has yet to do so. In battling the elements last week, Woosnam said: "You have to keep patient." He is trying to do the same here. As the man on the Shropshire Star who has followed his exploits may have confirmed: "This is the one he wants and I've never seen him so focused."



ian Woosnam during practice yesterday Photograph: PA

Crowds hail Indurain but Riis strengthens grip on yellow jersey

ROBIN NICHOLL
with the Tour de France

It was the day of Miguel Indurain's homecoming, but Bjarne Riis, the new landlord of the Tour de France, slammed the door firmly in his face.

As the hero of Navarre rode past the house where he was born, he was trailing the Danish rider who leads the Tour by eight and a half minutes, and reached the Pamplona finish in an unfamiliar 19th place.

Any humiliation was eased by the crowds, the graffiti, and the banners that spread over seven mountain passes from France and into Spain. It was the toughest day of the toughest race, but agonisingly so for Indurain, the man of the people.

He is heading for Sunday's finale in Paris with a deficit of 15min, 36sec, unthinkable two weeks ago, and for many Spaniards unbelievable.

Messages of support flew from trees and houses and clung to hillocks: "You are unique... five is enough... Miguel the great... our man, our hero." The roads were almost white with paint from the amateur sign-writers of the Tour. Some signs were smeared into the sun-soaked tar.

He was not alone in the doldrums. Riis showed no loss of power from Tuesday's winning drive to the summit of Hautacam, and the holder of the yellow jersey was the force behind the leading group of eight.

Yet before masses of Indurain fans, Riis could not hold the lively Swiss Laurent Dufaux whose sprint took him clear of the Dane to an overdue victory in this 17th stage over 262 km from Argelès-Gazost, near Lourdes.

The combined pace of the leaders shook the weak links from the top standings, and future contenders were born on the longest day of this Tour.

After more than seven hours in the saddle under a grilling sun, the challenge of Abraham Olano, Tony Rominger, and Yevgeny Berzin melted. Olano slid from second overall to ninth, more than 11 minutes behind Riis, and Rominger slipped from third to 10th, as they rode in with Indurain past cheering thousands to reach the finishing straight, with deafening chants of "Miguel, Miguel" for the final 400 metres.

He joined Riis on the podium,



and the Dane raised Indurain's arm, a gracious gesture, and the crowd responded by singing Indurain's name, and the soulful eyes of their champion brimmed with tears.

"I am the leader today," Riis said. "But Miguel is and always will remain a great champion. I am sad for him but I am sure that he will be back. He understands that in the

Tour no one can give presents."

Dufaux, however, got his opportunity. He has worked hard to help his French team-mate, Richard Virenque, towards a hat-trick of red polka dot jerseys for the best mountain climber.

"This is a reward for all the efforts I have made for Richard," he said. "Riis was not going to let me win easily. He is incredibly strong and he wants to show who is the boss."

"It was a terrible day, and we

were all tired but we worked well. Once the Indurain group closed to within three minutes of us, but we worked harder still to widen the gap."

Apart from Dufaux - who now replaces Tony Rominger and Alex Zülle as Switzerland's best hope - he is Riis's German team-mate, Jan Ullrich. He is now the nearest to Riis by 3:59, and an Austrian challenger, Peter Lutzenberger, has risen to fifth as the old Tour order changes.

Britain's Chris Boardman and many others lost more than 45 minutes during the stage. "I knew it is not doing my Olympic prospects much good but I must get to the finish in Paris," he said.

As the leaders reached the bottom of the Col de Souet, Basque separatists attempted to form a human blockade. The riders came to a stop, but a path was soon cleared by the gendarmerie, and the protesters returned to pushing leaflets and stickers through the windows of passing cars.

They have warned the Tour that it will not leave Spain unharmed, and today's stage from Pamplona to Hendaye in France will again be watched over by armed civil guards and police.

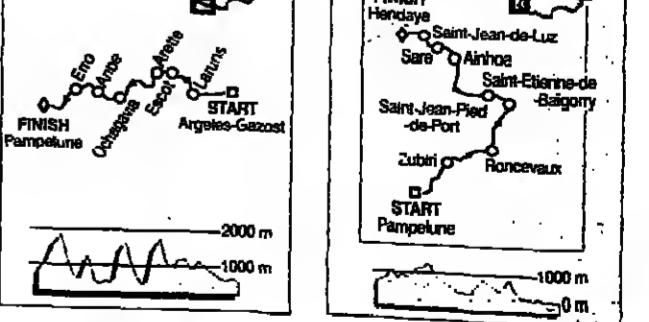
TOUR DE FRANCE DETAILS
STAGE 17 (Argelès-Gazost to Pamplona, 182.8 miles): 1 L Dufaux (Suisse Romande) 7hr 7min 8sec; 2 B Riis (Den) Deutsche Telekom same time; 3 R Virenque (Fra) Festina +20sec; 4 J Ullrich (Ger) Deutsche Telekom; 5 F Leipolt (Suisse Romande) +20sec; 6 P Lutzenberger (Aust) Ullrich +4:52; 7 S Lutzenberger (Aust) Ullrich +7:19; 8 Escamez +7:23; 9 Ullrich (Aust) Ullrich +8:48; 10 P Swindells (Aus) Roskopp same time; 11 N Stephens (Aus) ONCE +8:30; 12 T Rominger (Swi) Sopitec +8:35; 13 F Leipolt (Suisse Romande) +8:35; 14 G Guerini (It) Pirelli +8:40; 15 P Jonker (Aus) ONCE +8:42; 16 L Brochard (Fra) Festina +8:42; 17 M Bartoli (It) MG Technogym +8:42.

Mountains leaders: 1 Virenque 383pts; 2 Riis 274; 3 Dufaux 176.

Points leaders: 1 E Zabel (Ger) Deutsche Telekom 265; 2 F Moncada (Fra) GAN 203; 3 F Gobert (Fra) Festina 188.

Stage 17: Stage 17, Argelès-Gazost to Pamplona, Wednesday 17 July, 162 miles

Stage 18: Stage 18, Pamplona to Hendaye, Thursday 18 July, 96 miles



FINISH: Hendaye
START: Argelès-Gazost

FINISH: Pamplona
START: Argelès-Gazost

2000 m
1000 m
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Panasonic

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1996 Olympic Games



United dismiss Blackburn's £4m offer for Cantona

Football

ADAM SZRETER

Blackburn Rovers, apparently peeved at Manchester United's attempt to take Alan Shearer away from them, yesterday made an offer believed to be in the region of £4m for United's French international Eric Cantona.

The Blackburn chairman, Robert Coar, who also took time out yesterday to deny that Arsenal had made a £3m move for the

Blackburn captain, Tim Sherwood, said: "We have made a bid for Eric Cantona and are awaiting a response from United."

United's assistant secretary, Ken Ramsden, said: "There is no way the matter will be considered. The offer has been rejected out of hand. Eric will not be going to Blackburn or anywhere else."

Asked if United considered Rovers' bid to be a response to their own reported £1.2m offer for Shearer, Ramsden replied:

"It is an unusual episode to say the least, but it is not for us to question other clubs' motives."

Referring to Sherwood, the Blackburn chairman said: "Any suggestion that we have accepted a bid and that Tim is in talks with Arsenal are wide of the mark. We have not had an offer."

One Blackburn player on the move is the striker Mike Newell, who is expected to join Birmingham next week for £1.2m.

United could be forced to increase their £3.5m bid for the

Czech midfielder Karel Poborsky of Slavia Prague. Slavia, who will be involved in the European Cup, say they do not want to let the 24-year-old leave. He has two years of his contract to run. The United manager, Alex Ferguson, said: "As far as I am concerned the deal is still alive and I am looking for a satisfactory outcome."

Liverpool's interest in Poborsky may cool now that Michael Thomas has signed a new contract. The 28-year-old

former Arsenal midfield player spent a couple of days in Italy last week, talking to more than one club, but decided to accept an offer of up to three years to stay on Merseyside.

Another surprise signature yesterday was that of the Tottenham manager, Garry Francis, who accepted a two-year deal from the Spur's chairman, Alan Sugar.

Francis, 44, has hitherto preferred to work without a contract.

Gary McAllister has pledged his future to Leeds United, in

spite of Coventry's hopes that he would move to Highfield Road. The 31-year-old Scottish international said: "I'm staying—it's as simple as that. As far as I am concerned all the speculation over me is just that—speculation."

Barnsley have won the race to sign the Middlesbrough striker Paul Wilkinson, who is expected to sign for the Oakwell club later today.

The Crystal Palace manager, Dave Bassett, is making a £250,000 move for Darlington's

highly-rated centre-half Sean Gregan. Bassett has taken Gregan on loan with a view to playing him in pre-season games and then completing the transfer.

Everton's

transfer-listed defender Matt Jackson has had his price cut in an effort to find him a new club before the season starts. Sheffield Wednesday last season had an offer of £1.2m for him turned down.

Brighton

could be homeless in 10 months' time after Hove Council rejected their plans

for a new stadium and shopping complex at Tad's Hall Valley. The Seagulls have failed to come up with the necessary traffic and environmental studies to support the application.

Fifa, the world governing body, has suspended the Croatian international Goran Vlaovic because he has signed with three different clubs. Vlaovic, who played last season with Padova in Italy, has apparently signed for Napoli as well as the Spanish clubs Valencia and Espanol.

Sky 'prepared to renegotiate deal'

Rugby Union

DAVID LLEWELLYN,
ROB COLE and BILL LEITH

BSkyB is reported to be ready to tear up its £87.5m exclusive contract with England and offer a joint deal with terrestrial television to the combined Home Unions worth less than half the total of £183.5m which is on the table to the countries at the moment.

According to a spokesman for the English clubs' organisation, Epruc, Sky is prepared to nullify the heads of agreement already signed by the Rugby Football Union and negotiate another deal worth in the region of £80m—£10m to be shared equally among all four Home Unions.

It would mean England would be back in the Five Nations and Sky would no longer have exclusive live coverage. The other three nations, led by the Welsh, want the championship to be broadcast on a 50-50 basis between satellite TV and its terrestrial cousins.

"We are not in this merely for the money," one Welsh Rugby Union member said yesterday. "We want to safeguard the game and ensure that is available to the widest possible audience."

"There can be no compromising on the equal share-out

of TV money and we stand by our decision that it must be a collective deal."

The Five Nations contract needs to go out to tender, and that is what we expect and hope to happen."

The RFU made a conciliatory move yesterday, with the new president, John Richardson, announcing that he and the chairman of the RFU executive committee, Cliff Brittle, would be leading a Twickenham negotiating team to meet the other Home Unions next Tuesday.

This came the day after Brittle had called on the people who had negotiated the England-Sky deal to resign. "The situation is most sensitive and I ask all members of the Union and our rugby public to be patient while we seek to resolve this issue and ensure the continuance of the Five Nations' Championship," Richardson said.

Richardson's move drew an immediately favourable response from Alan Hosc, one of Scotland's representatives on the Five Nations Committee. "Any initiative that can improve the situation has to be welcomed," he said. "No-one wants England to be excluded from the northern hemisphere championship if it can be avoided."

The news of Sky's intentions, which came after a meeting between the chairman of Epruc, Donald Kerr, and Sam

Chisholm, Sky's chief executive and managing director, is deeply worrying for the clubs, who stood to gain £27.5m under the deal with England. With the RFU taking only £1.2m if the suggested new arrangement becomes reality, the clubs face a massive shortfall as they try to finance the professional era.

"We are alarmed by this possibility, and so should all of English rugby," Kerr said yesterday. "It is not just the senior clubs that will lose out, but every club, right down to the junior clubs."

Another side-effect of yesterday's news is that the workings of the RFU are likely to be overhauled. Richardson announced that the RFU committee had agreed on a special working party, with two independent, non committee members, to investigate the working practices between officers, committee, sub committee and staff, in order to make policy recommendations to be adopted. This was announced at last week's annual meeting in London and has now been rubber-stamped by Twickenham. It is likely to redefine the roles of key RFU officers and committee men.

The Welsh Union has told the RFU that the proposed Anglo-Welsh club competition cannot take place until a joint TV and sponsorship package has been negotiated.

TODAY'S NUMBER

20

The number of runs scored by the Milwaukee Brewers in their baseball game against the Detroit Tigers on Tuesday night in a 20-7 victory. "The pitching was absolutely terrible," said the Tigers' catcher Brad Ausmus, who joined the team earlier this season. "Really, it's a joke."

Britain's six appeal

Tennis

Six British players reached the last 16 of the Manchester Challenger at Didsbury yesterday, with one of them certain to go through to the quarter-finals.

Colin Beecroft will be battling for a place in the last eight against Norwich's Tom Spinks, who produced the surprise of the day by beating the sixth seed, Luke Hillman, 7-6, 6-2. Spinks, a 21-year-old outsider who was only in the tournament after being granted

a wild card, is over 500 places below Milligan in the world rankings but made a mockery of the form book as he became the first player to oust a seed.

The top seed, Chris Wilkins of Southampton, went through after a controversial eod to his opening match. Wilkinson's opponent, Gabriel Trifu of Romania, lashed out in frustration at a ball when 4-6, 2-4 down and hit a linesman in the chest. The tournament referee, Carl Baldwin, had no hesitation in disqualifying Trifu.

Baseball
AMERICAN LEAGUE: Oakland 12, Seattle 5; Boston 5, New York 9; Baltimore 0, Toronto 6; Kansas City 4, Cleveland 10; Minnesota 2, Detroit 1; Chicago 1, Milwaukee 2; San Diego 1, California 2.

NATIONAL LEAGUE: Atlanta 3, Montreal 2; Chicago 5, Pittsburgh 10; Los Angeles 2; San Diego 1, Florida 3; Houston 2; Detroit 1, Atlanta 2; Philadelphia 5, Philadelphia 3; Colorado 5, San Francisco 3.

Basketball
Sheffield Sharks have clinched the signing of Vose Winters, the former NBA forward, who has been playing in France and Spain in recent seasons, was anxious to rejoin his wife, a doc-

tor at a Leeds hospital, and agreed to join the Budweiser League club after visiting their new home at Sheffield Arena.

"It is a great facility and equals—if not better—most venues I have played in abroad," said the 6ft 6in 300lb nos-bomber.

Boxing
Glen Murray, of South Africa, retained his World Boxing Union welterweight title with a unanimous points decision over Juan Carlos Vilchez, of Argentina, in Pretoria on Tuesday night.

Andrew Golota, disqualified last week after Riddick Bowe in a New York bout ended in a riot, is still wanted in

his native Poland to stand trial on charges of assault and robbery. Golota, who according to Polish media reports was arrested in New York and Chicago in 1993, could face a minimum of five years in prison if convicted.

Bernard Hopkins stopped fellow American Bo Jones in the 11th round on Tuesday to retain his International Boxing Federation middleweight champion-

ship. The Welshman had to retire at the age of 35 because of a neck injury sustained last season, when he helped the team win the Commonwealth Games Federation by a large majority vote at the federation's general assembly.

Points dividends
LITTLEWOODS: Treble chance: 216s £30, 241, 65; 20, 220, 15, 19, 15, 10, 18, £3,45, 17, 11, 0. Four draws: £243. Ten winners: £255. Six wins: £250. Pod: void.

ZEITERS: Double chance: 216s £2,021, 10, 20, £1,50, 19, £1,10, 18, £1,20, 20, £1,50, 19, £1,10, 18, £2,50, 20, £3,10. Ten wins: void.

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SPRINTERS: Treble chance: 216s £1,723, 20, 22, £34, 20, 19, 13, 25. Four draws: £27, 20, 10 houses: £27, 25. Eight wins: void.

Commonwealth Games

Cameroun, once part of the French empire, and Mozambique, the former Portuguese colony, are to be the hosts of the next Commonwealth Games in Kuala Lumpur in 1998. The two African nations who were admitted to the Commonwealth last year were accepted into the Commonwealth Games Federation by a large majority vote at the federation's general assembly.

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Gymnastics

Yuri Titov, the former Soviet gymnast who won nine Olympic medals between 1980 and 1984, was denied a place on the International Olympic Committee.

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Rugby League

The Wigan chairman, Jack Robinson, is no longer to face charges of conspiracy to defraud a local newspaper. He has now been charged instead with incitement to send a false instrument and perverting the course of justice. Robinson was cleared of all charges by the First Division referee, Tim Cowan, who had helped the team win the First Division title.

Tony Popow, the 22-year-old Australian international who trained with Wolves in March, has joined the First Division club for their pre-season tour of Australia and Germany and will play for Sydney United permanently if he impresses during their four-month trip.

Glen Murray, the former Manchester City and Oldham star, has joined the League's Bradford, promoted last season to the First Division, to begin a new chapter in his career.

The Australian centre Andrew Patmore, who played his last match for Oldham, has contracted with the end of next season, but has suffered a serious groin injury and is to return to Sydney. The club has already begun a search overseas for a replacement.

Rugby Union

Australia yesterday named an unchanged team that defeated South Africa 21-16 in Sydney on Saturday for the Tri-Nations match against New Zealand in Brisbane on 27 July. Tim Cowan, the veteran forward, who is named as a replacement, is given a chance to resume his Test career.

Football

LEAGUE: PREMIER LEAGUE: First leg: Barry Town v Oldham (Sat) 7.30pm; St Patrick's Ath v Bradford (7.45pm).

SPEDWAY: 7.30pm: Wrexham v Bognor Regis.

SWIMMING: 7.30pm: Plymouth v Bognor Regis.

NETBALL: 7.30pm: Bristol v Plymouth.

CRICKET: 7.30pm: Gloucestershire v Warwickshire.

NETBALL: 7.30pm: Plymouth v Bognor Regis.

SWIMMING: 7.30pm: Plymouth v Bognor Regis.

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125TH OPEN CHAMPIONSHIP: Big-hitting Daly looks beyond Royal Lytham's narrow fairways as he prepares to defend title

Faldo rises early for birthday challenge

TIM GLOVER

Reports from Royal Lytham

On the occasion of his 39th birthday, Nick Faldo will rise with the gulls and the German deckchair population at 5.30am, probably consume three Shredded Wheat and arrive at the course at 6.30, an hour and three minutes before his tee time. Once again the Englishman has been installed as favourite to win the Open Championship for a fourth time, and who are we to argue with the men with bulging leather satchels.

Indeed, from his comments when on the Lancashire coast this week, everything seems to be coming up roses in Faldo's garden, particularly as his management team have uncovered a dastardly plot which could have scuppered his chances of winning the 125th Open before he had even begun. The plan was for Faldo and his American girlfriend Brenna Cepelak to stay in a private house here. Somehow the tabloids discovered the address and duly rented the property next door.

They may not have actually drilled holes in the wall but it is safe to assume that Faldo's privacy would have gone out of the window, lace curtains and all. However, an estate agent tipped off IMG, Faldo's management company, and the favourite was surreptitiously moved to a secret address. Disaster averted.

"I'm hitting the ball well and everything is coming together," Faldo said. "I enjoy Lytham. It's an accuracy links, so many pot bunkers. You can make a good score on the first 12 holes and, depending on the weather, hang on to it. I'm relaxed and I've got a feel of the links." The weather is hale and Royal Lytham is going to need more than its 185 bunkers (82 of them over the last six demanding par fours) to keep the field at bay.

While most of the players have been practising with friends, wagering side bets in the



Rough passage: The three-times Open winner Seve Ballesteros clears the rough on the sixth hole during a practice round at Royal Lytham yesterday

Photograph: Robert Hallam

process, Faldo has been flying solo. He thinks that the winner on Sunday could be 14 under par or better. He won the English Amateur Championship here in 1975. "That was the first big one," he said. "It was the start of my career and I have good memories from that."

Faldo also made his Ryder Cup debut here in 1977, partnering Peter Oosterhuis to victory in the foursomes and fourballs and defeating Tom Watson by one hole in the sin-

gles. Because of the size of the gallery following him, the Lancashire Constabulary have assigned Faldo his own police protection, a WPC.

Seve Ballesteros also has a penchant for Lytham, of course, winning the Open here in 1979 (aggregate 283) and again in 1988 (273). Eight years ago he finished with a 65 to deny Nick Price. "I'm very grateful to this place. Great memories," Ballesteros said. "I think I won here because of my short game. The

greens are small and everyone is going to miss a lot of greens. Chipping and putting is going to be important. In 1979 I was famous as the man who won the Open from the car park. It took me eight years to get rid of that."

Before arriving here, Ballesteros watched videos of his Lancashire hot shots (all he needed was a soundtrack from *Gracie Fields*) in an attempt to rediscover the missing link. "I try to pick up any details that I'm not doing now to see if I can inspire myself. I'm proud to see what I did, although I'm sad that I can't be youthful for ever. When I watch the films it gives me confidence to try and win again. I know it's difficult, I know it's eight years later and my game at the moment is not as good as before but it's possible. I believe that." When he walked on to the

second hole, he saw a sign, in

Spanish, reading: "Seve Please Win Again". It was the same sign that he saw here in 1988.

John Daly, the defending champion, sounded as if he would prefer to be back at St Andrews, the scene of his play-off victory over Costantino Rocca 12 months ago. Incidentally, Rocca, who is bigger in America than he is in Roma, has been invited by the International Olympic Committee to carry the Italian flag at the closing ceremony in Atlanta.

"The fairways are so narrow here I think you can count me out of hitting any," Daly said.

"There's more trouble and a lot more bunkers. If I hit my driver I've still got to avoid some bunkers, whereas at St Andrews I didn't have to worry about any bunkers. I felt I could fly right over them."

He, too, has been to the movies and has watched his tri-

umph at the home of golf at least 10 times. "I don't know how I'm going to play," Daly said, "but the good thing about this course is that if you miss it long, it's an advantage. Every hole has an out, apart from the par threes." No American professional has won the Open at Lytham, although the great amateur Bobby Jones took possession of the old silver claret jug in 1926. In the year of the general strike, Jones's aggregate was 291, and he wore a tweed suit to boot. Had he worn it this week he would have suffered from heat exhaustion.

Meanwhile, watch your bets. Stato, of *Fantasy Football League* fame, wanted to back Paul Eales, who is attached to Lytham, at 12-1 and was told the odds were 16-1. The bookmaker thought he was talking about Els. Two outsiders in particular catch the

eye. Steve Stricker, making his Open debut, is attractive at 28-1 to finish leading American. Stricker, from the non-golfing state of Wisconsin, has won nearly \$1m (£645,000) on the US Tour this season, recording wins in the Kemper Open and, two weeks ago, the acclaimed Western Open near Chicago. Faldo and Greg Norman missed the half-way cut there.

Ricky Wilson, who is first off this morning, is in great form. Seventh in the Irish Open a fortnight ago, he had a blast in the final qualifying at Fairhaven (par 74) with 69 and 65 - 14 under par. Wilson, who turned pro at the ripe old age of 32, won the English Amateur Championship in 1990 after preparing for the tournament by playing on the sands, à la Red Rum, at Southport. He has been doing a similar thing here.

Willison looks a better bet than Colin Montgomerie, who yesterday wore an air of exasperation. Monty, promoted to world No. 2 after winning the Irish Open, shot 81 in the final round of the Scottish Open last Saturday and said his swing had been blown apart by the gales. He decided to have only one practice round here, after which he declined to be interviewed on the grounds that he needed to do some more work on his game.

The three-times winner Jack Nicklaus may have to withdraw from the Open, according to the 1963 champion, Bob Charles.

The two arranged a practice round together yesterday, but Nicklaus, 56, was late in joining the New Zealander as he needed treatment to his back. Charles said that Nicklaus may pull out and would make a decision this morning.

THE INDEPENDENT CROSSWORD

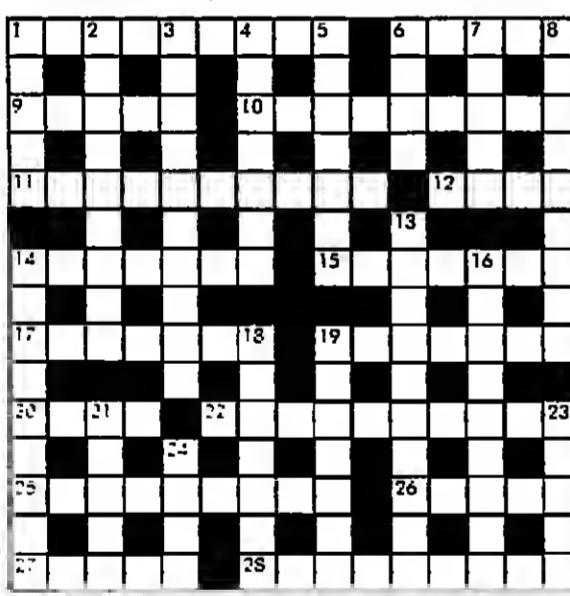


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By Spurios

Wednesday's Solution



ACROSS
1 Walking uncontrollably mostly reflects energy, that's the bugbear (13)
2 Place where tailless insect's found (5)
3 Particle deflector not German, surprisingly (9)
4 Land Rover, to begin with, each learner used before station wagon (4, 6)
5 Chauffeur volunteers to join cricket team (4)
6 Just managed to connect newspaper cutting with journalist (7)
15 Condition listeners find distressing (1)

1 Oral feature indispensable in French pronunciation, primarily (7)
14 Certificate one's kept in case (7)
21 Contact is in Kansas (4)
22 Girl and boy held by soldier kind of activity McCarthy'd object to? (11)
23 Soil confronted by lawmen outside pub is a rough character (9)
25 Private hotel used by royalty (5)
27 New award given to student or teacher (5)
28 Work on theology left inside cupboard (5, 4)
29 Never failing courage (5)
30 Everyone's depressed by start of football season (4)

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FOUR TO CHALLENGE FROM DOWN UNDER

ROBERT ALLENBY

Australia

Age: 25.

Born: Melbourne

Interests: fishing, music, boats.

Allenby, whose parents emigrated from Leeds, be-

came the first rookie to top the Australasian Order of Merit in 1992 when he won the Johnnie Walker Classic at Royal Melbourne. Finished 15th in the Open Championship at St Andrews last year and can improve on that this week. Has hit rich form, piping Colin Montgomerie to win the Alamo Irish Open at the Forest of Arden at the beginning of June and ended the month by capturing the French Open near Paris. Third in the Volvo Rankings, behind Monty and Ian Woosnam.

Odds: 20-1



FRANK NOBIL

New Zealand

Age: 36.

Born: Auckland.

Interests: squash, karting, motor racing.

Nobilo, who says he is the great

grandson of an Italian pirate, won nearly £500,000 last year, the highlight being victory in the Sarazen World Open Championship in America. It proved that he could live with the best and the Kiwi, who has taken membership at the Stoke Poges club near Slough, is increasingly coming to the fore in the majors. Shot 69 in the last round of the Masters at Augusta and finished fourth. Was also in contention in the US Open at Oakland Hills until a 74 in the final round relegated him to joint 13th.

Odds: 33-1.

WAYNE RILEY

Australia

Age: 33.

Born: Sydney.

Interests: music, cars, bikes.

Riley, who had a

reputation for being a teary-eyed, birds,

gambling, just the national pastimes of Australia - has come of age in recent seasons. His victory in the Australian Open in 1991 was generally regarded as an oddity but he proved a point last year by winning the Scottish Open at Carnoustie, defeating, amongst others, Montgomerie and Nick Faldo. That was his first victory on the European Tour and this year he won the Portuguese Open and was runner up in the Murphy's Irish Open, scoring a phenomenal 66 at Druids Glen in the final round.

Odds: 40-1.

MICHAEL CAMPBELL

New Zealand

Age: 27.

Born: Hawera.

Interests: films, reading, fly fishing.

Like Nobilo, Campbell has be-

come a serious player, announc-

ing his arrival by inspiring New Zealand to victory in the Eisenhower Trophy in 1992. Won the Australian and New South Wales amateur championships before turning professional in 1993. Campbell, a Maori, says his great great grandfather was a Scot who emigrated to New Zealand in 1845. Runner up in the Volvo PGA Championship last year and led the Open at St Andrews following a 65 in the third round. Finished a stroke off the play-off between John Daly and Costantino Rocca.

Odds: 66-1.

Harrison allowed to take on Edwards

Olympic Games

MIKE ROWBOTTOM

reports from Atlanta

One of Jonathan Edwards's main triple jump rivals, Kenny Harrison, has been added to the United States team on deadline after a successful appeal to the International Amateur Athletic Federation.

United States' officials had told the 31-year-old former world champion he had not achieved the qualifying mark of 16.85 metres as his indoor performances this year did not count. But Harrison, whose victory at the US trials with 18.01 metres was invalid for qualifying purposes because of wind as-

sistance, took his case to the international authority, which ruled in his favour.

Edwards will now have to face two of the three other triple jumpers who have surpassed 18 metres, as Harrison joins the reigning Olympic champion, Mike Conley.

Harrison, whose indoor mark of 17.05 metres at Reno in February eventually proved sufficient to allow him to compete here, was angry about the actions taken - or not taken - by the US Track and Field authorities.

After his opening jump at the trials, he passed on his other five attempts, believing that he had done enough to win and that his

US officials had

not noticed

the wind.

Conley's name

overshadows everything I have ever done," he said. "To get the attention, I have to do something extra special. The thing he has that I don't is an Olympic gold."

In the meantime, pressure would resign from the BOA committee if Turner did not. "The team are incensed by these comments," said the BAF spokesman, Tony Ward. "He is being cheap. A lot of mud has been flung at us over the years, and we have been too tolerant. This is the most tested British team we have sent to a major championships in the history of athletics. We have conducted more than 300 tests in the last three to four months, and all of the 80-strong team are clean. That is fact, not innuendo."

Dean Capobianco, the Aus-

tralian sprinter suspended after

testing positive for the banned

steroid stanozolol, has taken part

in an independent hearing by tele-

phone link-up and is awaiting the

decision of the QC in charge of

the case, Robert Elliscott.

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